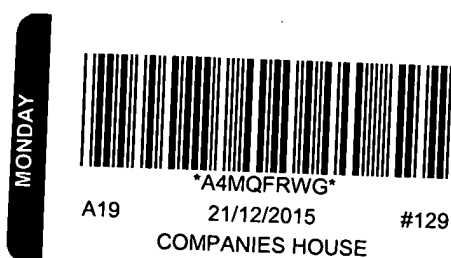


Financial Statements

Arora Leased Hotels Limited

(formerly Arora Hotels Limited)

For the year ended 31 March 2015



Arora
GROUP

Registered number: 05454977

Arora Leased Hotels Limited (formerly Arora Hotels Limited)

Company Information

Directors

Surinder Arora
Guy Morris
Sunita Arora
Carlton Brown
Athos Yiannis

Company secretary

Athos Yiannis

Registered office

World Business Centre 2
Newall Road
London Heathrow Airport
Hounslow
Middlesex
TW6 2SF

Registered number

05454977

Independent auditor

Grant Thornton UK LLP
Chartered Accountants & Statutory Auditor
The Explorer Building
Fleming Way
Crawley
RH10 9GT

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Strategic Report

For the year ended 31 March 2015

The directors present their strategic report for the year ended 31 March 2015.

Review of business

The principal activity of the company in the year under review was the operation of hotels and property rental.

The loss for the year, after taxation, amounted to £4,276,000 (2014: £3,459,000).

In the year, the company saw the discontinuation of operations across all of its hotels. Firstly, the company disposed of its trade and operations in the Arora Hotel Heathrow in May 2014 to a third party.

Lastly, on 1 September 2014 the company disposed of its operations in the Arora Gatwick Crawley and Sofitel London Gatwick to Grove HR Limited, a related company.

At the date the accounts were signed, the company was not operating any hotels, however the leasehold land and buildings and bank facility remained within the company.

The company will continue to acquire hotel operations and property rentals.

Key performance indicators

The company uses a range of performance measures to monitor and manage the business effectively. These are both financial and non-financial and the most significant of these are the key performance indicators (KPIs).

The key performance indicators are turnover, gross profit and operating profit. These indicators for 2015 and 2014 are set out below:

	2015	2014
	£000	£000
Turnover	19,867	37,872
Gross profit	19,497	36,934
Operating profit/(loss)	<u>(3,794)</u>	<u>(2,996)</u>

The company's trading performance declined significantly following the cessation of operations across all the hotels during the current year. Despite the cessation of trading, costs continued to be well controlled.

Balanced Scorecard

This sets out to measure guest satisfaction, employee satisfaction, labour turnover, cash management, internal financial controls, Health and Safety and Environmental audits and profit achievement as the 8 key indicators of the health of the business. The business has performed satisfactorily in all categories despite the current economic climate.

Strategic Report (continued)

For the year ended 31 March 2015

Corporate Social Responsibility

A sustainable environment

We continually seek to improve our environmental performance and are fully committed to ensuring that our business activities are effectively managed to reduce the consumption of energy, raw materials and the production of waste and harmful emissions.

In order to achieve this objective, we see the following areas as being critical to our success:

- The continued training of our staff on environmental issues to maintain the 'green' culture that we have strived to create.
- The support of our 'Green Teams' consisting of management & staff from all departments who meet monthly to monitor progress and identify new ways that performance can be further improved.
- The continued investment in water saving technologies such as flow management devices, rainwater harvesting and 'food waste to water' conversion equipment to reduce landfill.
- The continued investment in energy saving technologies such as Variable Speed Drives, Voltage Optimisation, Low Solar Gain windows and Energy Building Management Systems.
- The continued investment in low energy / high efficiency lighting controlled by occupancy sensors and time switches.
- Continuing to carry out annual Environmental Audits of our hotels to ensure compliance with our environmental policy and to measure our success.
- The continued investment in Combined Heat & Power plant.

Working in our communities

In addition to the work of the Arora Charity Foundation overseen by the company, all team members and hotels are encouraged to get involved with the local community. Examples include, sponsoring the annual KICA Awards (Kids in Care Awards) for the London Borough of Hillingdon and also sponsoring the Metropolitan Police charity JACK PACK (Joining Against Cancer in Kids). In addition, members of the senior management team are actively involved in various national and regional associations such as the British Hospitality Association, Institute of Hospitality, Universities and London Skills and Employment Board and the regional enterprise zone - the Gatwick Diamond Initiative.

Further, some of our senior team have offered their services to appear as guest lecturers at local universities and our hotels are encouraged to take on work experience students from local colleges. Surinder Arora is Patron of Royal Holloway Entrepreneurs, a student society within the Royal Holloway University of London where he has established the annual 'Arora's Den' competition and the Arora Awards for Enterprise.

The company is also leading role in the British Hospitality Association's 'BIG CONVERSATION' initiative at Heathrow to promote work experience and placements for 16-24 year old's, helping to tackle youth unemployment - indeed he has gone one stage further and pledged 25 apprenticeships within Arora.

Principal risks and uncertainties

The main financial risks arising from the company's activities are interest rate risk and liquidity risk. These are monitored by the board of directors and were not considered to be significant at the balance sheet date.

The company's policy in respect on interest rate risk and liquidity risk is to maintain a mixture of medium and short term debt finance and readily accessible bank deposit accounts to ensure the company has sufficient funds for operations. The cash deposits are held in current accounts which earn interest at a floating rate. Debt is maintained at floating interest rates.

Strategic Report (continued)

For the year ended 31 March 2015

Going concern

The financial statements have been prepared on the going concern basis, notwithstanding net liabilities of £16,673,000 (2014: £13,710,000), which the directors believe to be appropriate for the following reason. The company is reliant for its working capital on funds provided to it by Arora Holdings Limited (formerly Grove Holdings UK Limited), which has provided the company with an undertaking that it will, for at least 12 months from the date of approval of these financial statements, continue to make available such funds as are needed by the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so. Based on this undertaking the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

This report was approved by the board and signed on its behalf.



Carlton Brown
Director

Date: 8 December 2015

Directors' Report

For the year ended 31 March 2015

The directors present their report and the financial statements for the year ended 31 March 2015.

Dividends

No dividends will be distributed for the year ended 31 March 2015 (2014: £Nil).

Directors

The directors who served during the year were:

Surinder Arora
Subash Arora (resigned 26 March 2015)
Guy Morris
Sunita Arora
Carlton Brown
Athos Yiannis

Employment policies

Employment of disabled persons

The company is committed to a policy of recruitment and promotion on the basis of aptitude and ability without discrimination of any kind. Management actively pursues both the employment of disabled persons whenever a suitable vacancy arises and the continued employment and retraining of employees who become disabled whilst employed by the company. Particular attention is given to the training, career development and promotion of disabled employees with a view to encouraging them to play an active role in the development of the company.

Employment Involvement

The company is committed to ensuring that the information regarding the progress of our business is communicated to our employees through our internal staff communication. This takes the form of bi-annual Way Ahead Meetings for all staff, conducted by the CEO and management where Balanced Scorecards are presented, Staff Consultative Committee Meetings which are held at unit level to discuss trading and relevant issues to the staff representatives by local management and internal newsletters.

Our central management team regularly visit all hotels to discuss matters of current interest and concern to the business with members of the hotel team.

An Employee Opinion Survey is carried out bi-annually and the results for the period to October 2014 showed our employees feel positive about their work place and how they are treated.

Directors' Report

For the year ended 31 March 2015

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, 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 judgments 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.

Disclosure 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 relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



Carlton Brown
Director

Date: 8 December 2015

Independent Auditor's Report to the Members of Arora Leased Hotels Limited (formerly Arora Hotels Limited)

We have audited the financial statements of Arora Leased Hotels Limited (formerly Arora Hotels Limited) for the year ended 31 March 2015, which comprise the Profit and loss account, the Statement of total recognised gains and losses, 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 auditor

As explained more fully in the Directors' responsibilities statement, 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 Auditing Practices Board'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 Financial Reporting Council'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 31 March 2015 and of its loss 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 matter prescribed by the Companies Act 2006

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



Independent Auditor's Report to the Members of Arora Leased Hotels Limited (formerly Arora Hotels 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.

Grant Thornton UK LLP

Eleanor Walsh (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Statutory Auditor
Chartered Accountants
Gatwick

8 December 2015

Profit and Loss Account

For the year ended 31 March 2015

		2015 £000	2014 £000
	Note	Discontinued	
Turnover	1,2	13,592	37,872
Cost of sales		(279)	(938)
Gross profit		13,313	36,934
Administrative expenses (including exceptional items, credit of £1,609,192 (2014: £601,000))	6	(18,670)	(42,311)
Other operating income	3	1,564	2,381
Operating loss	6	(3,793)	(2,996)
Interest payable and similar charges	7	(191)	(463)
Loss on ordinary activities before taxation		(3,984)	(3,459)
Tax on loss on ordinary activities	8	(292)	-
Loss for the financial year	17	(4,276)	(3,459)

All the results in the prior year arose from operations classified as discontinuing in 2015.

The company has no recognised gains or losses other than the profits for the current year or previous year.

The notes on pages 11 to 20 form part of these financial statements.

Statement of Total Recognised Gains and Losses

For the year ended 31 March 2015

	Note	2015 £000	2014 £000
Loss for the financial year		(4,276)	(3,459)
Revaluation of leasehold property		<u>1,313</u>	<u>(2,280)</u>
Total recognised gains and losses relating to the year		<u>(2,963)</u>	<u>(5,739)</u>

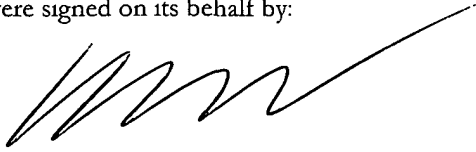
The notes on pages 11 to 20 form part of these financial statements.

Balance Sheet

As at 31 March 2015

	Note	£000	2015 £000	2014 £000
Fixed assets				
Tangible assets	9		25,250	25,255
Current assets				
Debtors	11	21,834	7,468	
Cash at bank		1,393	2,707	
		<u>23,227</u>	<u>10,175</u>	
Creditors: amounts falling due within one year	12	<u>(65,150)</u>	<u>(49,140)</u>	
Net current liabilities			<u>(41,923)</u>	<u>(38,965)</u>
Total assets less current liabilities			<u>(16,673)</u>	<u>(13,710)</u>
Capital and reserves				
Called up share capital	16		9,103	9,103
Revaluation reserve	17		6,119	4,806
Profit and loss account	17		<u>(31,895)</u>	<u>(27,619)</u>
Shareholders' deficit	21		<u>(16,673)</u>	<u>(13,710)</u>

The financial statements were approved and authorised for issue by the board of Directors on 8 December 2015 and were signed on its behalf by:


Carlton Brown
 Director

The notes on pages 11 to 20 form part of these financial statements.

Notes to the Financial Statements

For the year ended 31 March 2015

1. Accounting Policies

1.1 Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain tangible fixed assets and are in accordance with applicable United Kingdom accounting standards.

The following accounting policies have been applied:

1.2. Turnover

Turnover represents sales to external customers at invoiced amounts less value added tax on sales. Turnover is recognised when the service is provided.

1.3 Tangible fixed assets

Land and buildings

FRS5 requires fixed assets which are carried at revalued amounts to be shown at their current value at the balance sheet date. To achieve this, long leasehold land and buildings are subject to a full valuation every five years with an interim valuation carried out in the third year of this cycle, or more often if considered appropriate.

The profit or loss on disposal of revalued properties is calculated by reference to net book value and any realised revaluation surplus is transferred to the profit and loss account through reserves.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	-	8-20% straight line
Fixtures, fittings and equipment	-	25% straight line
Leasehold property	-	over length of the lease

1.4 Operating leases

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

Notes to the Financial Statements

For the year ended 31 March 2015

1. Accounting Policies (continued)

1.5 Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

1.6 Going concern

The financial statements have been prepared on the going concern basis, notwithstanding net liabilities of £16,673,000 (2014: £13,710,000), which the directors believe to be appropriate for the following reason: The company is reliant for its working capital on funds provided to it by Arora Holdings Limited (formerly Grove Holdings UK Limited), which has provided the company with an undertaking that it will, for at least 12 months from the date of approval of these financial statements, continue to make available such funds as are needed by the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so. Based on this undertaking the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

1.7 Cash flow statement

The company has chosen to take the exemption from producing a cash flow statement in accordance with Financial Reporting Standard 1. This is because the company is a wholly owned subsidiary of Arora Holdings Limited and the company is included in the consolidated financial statements.

1.8 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

Fixed asset investments are recorded at historical cost, less any provision for permanent diminution in value.

2. Turnover

The turnover and loss before taxation are attributable to the one principal activity of the company.

3. Other operating income

	2015 £000	2014 £000
Rents received	1,564	2,381

Notes to the Financial Statements

For the year ended 31 March 2015

4. Staff costs

Staff costs were as follows:

	2015 £000	2014 £000
Wages and salaries	3,406	7,323
Social security costs	229	501
Other pension costs	53	84
	<u>3,688</u>	<u>7,908</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2015 No.	2014 No.
Operations	<u>165</u>	<u>433</u>

5. Directors' emoluments

None of the directors were paid emoluments for their services as directors of Arora Leased Hotels Limited (formerly Arora Hotels Limited) during the year (2014: £nil). It is not considered practicable to allocate their remuneration between the group companies of which they are directors. The cost of their remuneration is covered as part of management fee charged to the company by Arora Management Services Limited, a related party. No directors accrued benefits under defined contributions schemes during the year (2014: £nil).

6. Operating loss

The operating loss is stated after charging/(crediting):

	2015 £000	2014 £000
Depreciation of tangible fixed assets:		
- owned by the company	1,349	-
- held under finance leases	-	1,447
Auditor's remuneration	21	55
Operating lease rentals:		
- other operating leases	8,473	18,836
Hire of plant and machinery	4	17
Loss on sale of tangible assets	-	226
Exceptional item - Loan impairment	-	176
Exceptional item - Reversal of loan impairment	(1,609)	(777)
	<u>(1,609)</u>	<u>(777)</u>

Notes to the Financial Statements

For the year ended 31 March 2015

7. Interest payable and similar charges

	2015 £000	2014 £000
Bank interest	191	463

8. Taxation

Analysis of the tax charge

	2015 £000	2014 £000
UK corporation tax charge on profit for the year	292	-

Factors affecting tax charge

The tax loss assessed for the year is lower than the standard rate of corporation tax in the UK of 21% (2014 - 23%). The differences are explained below:

	2015 £000	2014 £000
Loss on ordinary activities before tax	(3,984)	(3,459)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2014 - 23%)	(837)	(796)

Effects of:

Fixed asset differences	269	-
Expenses not deductible for tax purposes	14	101
Capital allowances in excess of depreciation	(179)	95
Tax losses carried forward	-	1,089
Film profits not recognised in the accounts	-	2
Non-taxable income	(58)	-
Utilised brought forward non trade debits	-	(543)
Accounting loss on disposal in excess of capital loss	-	52
Unrelieved tax losses carried forward	363	-
Group relief surrendered	720	-
Current tax charge (see note above)	292	-

Notes to the Financial Statements

For the year ended 31 March 2015

8. Taxation (continued)

The company is a partner in two film partnerships and has utilised its share of partnership losses against income of the company. Both partnerships are under a tax enquiry from HMRC who were granted new powers in July 2014 to request the tax payer under certain circumstances to pay tax arising as a result of any tax advantage obtained.

During the year the company has received an advance payment notice for £292,370 in respect of one film partnership and this has been paid in full.

The company has not received an advanced payment notice to pay tax from HM Revenue Customs in respect of any tax advantage from its second film partnership. The directors are unable to reliably confirm the tax liability that may arise from the tax enquiry. Accordingly no provisions have been made in relation to the second film partnership in these accounts.

9. Tangible fixed assets

	Leasehold improvements £000	Plant & machinery £000	Fixtures, fittings & equipment £000	Total £000
Cost or valuation				
At 1 April 2014	30,509	4,301	10,356	45,166
Additions	-	2	29	31
Revaluation surplus	1,313	-	-	1,313
At 31 March 2015	31,822	4,303	10,385	46,510
Depreciation				
At 1 April 2014	7,009	3,415	9,487	19,911
Charge for the year	941	158	250	1,349
At 31 March 2015	7,950	3,573	9,737	21,260
Net book value				
At 31 March 2015	23,872	730	648	25,250
At 31 March 2014	23,500	886	869	25,255

The historical cost of leasehold property at the year end was £25,339,000 (2014: £25,339,000). The company's leasehold property was revalued on 31 March 2015 by the directors at open market value and the surplus was credited to the revaluation reserve. The most recent external valuation of the property was undertaken in August 2009.

Notes to the Financial Statements

For the year ended 31 March 2015

10. Fixed asset investments

	Unlisted investments £000
Cost	
At 1 April 2014 and 31 March 2015	917
Provisions	
At 1 April 2014 and 31 March 2015	917
Net book value	
At 31 March 2015	-
At 31 March 2014	-

The company's investments at the balance sheet date in the share capital of companies include the following:

Excel Hospitality Limited

Nature of business: Provision of food and beverages services

Class of shares:	% holding
Ordinary	100

The company's investment is in Dean Street Productions No.6 LLP, an integrated film business.

11. Debtors: Amounts falling due within one year

	2015 £000	2014 £000
Trade debtors	251	2,157
Amounts owed by group undertakings	6,381	66
Other debtors	13	54
Related party debts	15,006	4,955
Prepayments and accrued income	183	236
	21,834	7,468

Notes to the Financial Statements

For the year ended 31 March 2015

12. Creditors:

Amounts falling due within one year

	2015 £000	2014 £000
Bank loans and overdrafts (see note 13)	9,098	13,195
Trade creditors	1,080	935
Amounts owed to group undertakings	19,331	5,368
Other loans (see note 13)	34,048	26,614
Other taxation and social security	1,213	1,663
Other creditors	87	591
Accruals and deferred income	293	774
	<u>65,150</u>	<u>49,140</u>

13. Loans

An analysis of the maturity of loans is given below:

	2015 £000	2014 £000
Amounts falling due within one year or on demand:		
Bank loans	9,097	13,195
Intercompany loans	4,098	-
Related party loans	34,048	26,614
	<u>47,243</u>	<u>39,809</u>

The bank loan facility is secured by a fixed and floating charge over the assets of the company and is supported by guarantees provided by certain group companies.

Interest is charged on both the £9,097,000 and £4,098,000 facility at LIBOR plus a commercial margin. This facility was repaid in full on 27 May 2015 and all security released.

14. Operating lease commitments

As at 31 March 2015, the company had annual commitments under non-cancellable operating leases as set out below:

	Land and buildings		Other operating leases	
	2015 £000	2014 £000	2015 £000	2014 £000
Expiry date:				
Within 1 year	-	-	-	100
After more than 5 years	11,270	16,238	-	-
	<u>11,270</u>	<u>16,238</u>	<u>-</u>	<u>-</u>

A significant proportion of the rentals payable for the various hotels is based on the turnover of the hotels. The above amounts show the minimum rental payable under the agreements.

Notes to the Financial Statements

For the year ended 31 March 2015

15. Financial instruments

The company holds financial instruments to finance its operations. In additions, various financial instruments such as trade debtors and trade creditors, arise directly from the company's operations.

Operations are financed by a mixture of retained profits, bank borrowings and term loans. Term loans are at variable rates. Working capital requirements are met principally out of floating rate overdrafts and retained profits.

Credit risk

The company is mainly exposed to credit risk from credit sales. It is company policy, implemented centrally, to assess the credit risk of new customers before entering contracts. Such credit ratings are taken into account by local business practices.

The company does not enter into complex derivatives to manage credit risk, although in certain isolated cases may take steps to mitigate such risks if it is sufficiently concentrated.

16. Called up share capital

	2015 £000	2014 £000
Allotted, called up and fully paid		
9,103,000 Ordinary shares of £1 each	<u>9,103</u>	<u>9,103</u>

17. Reserves

	Revaluation reserve £000	Profit and loss account £000
At 1 April 2014	4,806	(27,619)
Loss for the financial year		(4,276)
Surplus on revaluation of leasehold property	1,313	
At 31 March 2015	<u>6,119</u>	<u>(31,895)</u>

18. Pension commitments

The company operated a defined contribution pension scheme. The pension charge for the year represents contributions payable by the company to the scheme and amounted to £53,000 (2014: £84,000).

Notes to the Financial Statements

For the year ended 31 March 2015

19. Related party disclosures

The company is a wholly-owned subsidiary of Arora Holdings Limited and utilises the exemption contained in Financial Reporting Standards 8 'Related Party Disclosures' not to disclose any transactions with wholly-owned entities that are part of the group.

The company had the following transactions with parties who are related via Mr S Arora, who is the ultimate beneficiary of all companies/entities:

Rent payable under operating leases:

	2015 £000	2014 £000
Arora International Gatwick Jersey Property Unit Trust	5,072	4,959
Arora International Heathrow Jersey Property Unit Trust	420	4,927
Arora Park Heathrow Jersey Property Unit Trust	1,356	1,283
MJ Property Limited	-	582
AH2 Limited	4,769	4,769
	<u>11,617</u>	<u>16,520</u>

At the year end the group had the following amounts due from the following entities and their subsidiaries:

	2015 £000	2014 £000
Arora Family Trust	5,628	3,552
Arora Family Trust No.2	9,378	1,403
	<u>15,006</u>	<u>4,955</u>

At the year end the group had the following amounts due to the following entities and their subsidiaries:

	2015 £000	2014 £000
Arora Family Trust	31,651	23,319
Arora Family Trust No.2	-	898
Arora Family Trust No.3	2,397	2,397
	<u>34,048</u>	<u>26,614</u>

In the year, the company impaired a loan receivable from Arora Heathrow Holdings Limited (formerly Arora Holdings Limited) by £nil (2014: £176,443).

Notes to the Financial Statements

For the year ended 31 March 2015

20. Ultimate controlling party and post balance sheet events

The immediate parent of Arora Leased Hotels Limited (formerly Arora Hotels Limited) is Arora Heathrow Holdings Limited (formerly Arora Holdings), a company registered in the UK.

The ultimate UK parent is Arora Leased Hotels Limited, a company registered in the United Kingdom and the parent of the largest UK group for which group accounts are drawn up and of which the company is a member.

The ultimate controlling party of Arora Leased Hotels Limited is Arora Family Trust No. 2, a regulated trust registered in Jersey, and the parent of the largest group for which group accounts are drawn up and of which the company is a member.

The ultimate controlling entity of Arora Leased Hotels Limited is Capita Trustees Limited, a regulated trust administered in Jersey.

21. Reconciliation of movement in shareholders' deficit

	2015 £000	2014 £000
Opening shareholders' deficit	(13,710)	(7,971)
Loss for the financial year	(4,276)	(3,459)
Other recognised gains and losses during the year	1,313	(2,280)
	<hr/>	<hr/>
Closing shareholders' deficit	(16,673)	(13,710)
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