Company Registration No. 05990905 (England and Wales)

Malmaison and Hotel du Vin Property Holdings Limited

Directors' report and financial statements

For the year ended 30 June 2012

Malmaison and Hotel du Vin Property Holdings Limited

Contents

Malmaison and Hotel du Vin Property Holdings Limited

Directors' report

For the year ended 30 June 2012

The directors present their annual report and the audited financial statements for the year ended 30 June 2012

Principal activities and review of the business

The Company is engaged as a property investment company for a group which operates hotels under the Malmaison and Hotel du Vin brands The Group had 27 operating hotels at 30 June 2012

It is pleasing to report that Malmaison and Hotel du Vin have continued to perform well over the continued challenging trading period, and in contrast to many in their peer group In addition, shareholders will be aware that we successfully completed the refinancing of our £282 5 million bank facility in October 2011, the major part of which now extends out to 31 December 2014 As part of our strategic objectives, this facility has been reduced by approximately £100 million following the completion of the sales and leasebacks of five Malmaison hotels, London, Birmingham, Manchester, Newcastle and Aberdeen in the early part of November 2011 Whilst realising cash and enabling the pay down of debt, we retain value in these hotels through new 70 year leases which also provide Malmaison with security of occupancy Although the refinancing and subsequent sale and lease back of the five Malmaison hotels was successful it has not provided the Group with the level of capital required to ensure the on-going certainty of the business In agreement with its senior lenders, the Group has commenced with the orderly sale of the equity shareholding of the Group Further details relating to the position of the Group and its arrangements with its senior lenders can be found in note 1 to the financial statements

Results and dividends

The results for the year are set out on page 5

The directors do not recommend payment of an ordinary dividend

Directors

The following directors have held office since 1 July 2011

Gail Robson	(Resigned 9 July 2012)
RG Balfour-Lynn	(Resigned 31 March 2012)
P Roberts	(Appointed 20 February 2012)
MA Bibring	(Resigned 11 December 2012)
RB Cook	(Resigned 31 October 2011)
J Singh	(Resigned 8 May 2012)
C Elliot	(Resigned 31 January 2012)
G Davis	(Appointed 16 January 2012)

Auditors

In accordance with the company's articles, a resolution proposing that BDO LLP be reappointed as auditors of the Company will be put at a General Meeting

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,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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

On behalf of the board

179 Great Portland Street
London
W1W 5LS

P Roberts
Director

26.2.13

Malmaison and Hotel du Vin Property Holdings Limited
Company Registration No 05990905

Malmaison and Hotel du Vin Property Holdings Limited

Independent auditors' report

To the members of Malmaison and Hotel du Vin Property Holdings Limited

We have audited the financial statements of Malmaison and Hotel du Vin Property Holdings Limited for the year ended 30 June 2012 which comprise the Profit and Loss Account, 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 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

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 APB s web-site at www frc org uk/apb/scope/private cfm

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 June 2012 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

Emphasis of matter - going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the Company's ability to continue as a going concern The Directors have disclosed a combination of circumstances concerning its wider Group's ability to successfully complete an orderly sale of the equity of the Group and restructure various bank facilities that indicate the existence of a material uncertainty which, on account of cross guarantees provided by the Company, may cast significant doubt about the Company's ability to continue as a going concern The financial statements do not include the adjustments that would result if the Company was unable to continue as a going concern

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

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

Ian Clayden (Senior Statutory Auditor)

for and on behalf of BDO LLP, Statutory Auditor

55 Baker Street

London, W1U 7EU

27/2/2013

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

Malmaison and Hotel du Vin Property Holdings Limited

Profit and loss account

For the year ended 30 June 2012

	Notes	Year ended 30 June 2012 £	18 Months ended 30 June 2011 £
Turnover	2	20,702,137	39,773,659
Administrative expenses		(11,058,835)	(17,780,884)
Operating profit	3	9,643,302	21,992,775
Amounts written off tangible fixed assets		(31,342,700)	(34,993,760)
Loss on ordinary activities before interest		(21,699,398)	(13,000,985)
Interest payable and similar charges	4	(21,095,420)	(29,859,698)
Loss on ordinary activities before taxation		(42,794,818)	(42,860,683)
Tax on loss on ordinary activities	5	-	-
Loss for the year/period	12	(42,794,818)	(42,860,683)

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

The notes on pages 8 to 18 form part of these financial statements

Malmaison and Hotel du Vin Property Holdings Limited

Balance sheet

As at 30 June 2012

	Notes	£	30 June 2012 £	£	30 June 2011 £
Fixed assets					
Tangible assets	6		208,924,487		380,817,302
Investments	7		17,500		17,500
			208,941,987		380,834,802
Current assets					
Debtors amounts falling due within one year	8	166,669,414		160,369,433	
Debtors amounts falling due after more than one year	8	47,164,112		-	
Cash at bank and in hand		252		3,000	
		213,833,778		160,372,433	
Creditors amounts falling due within one year	9	(394,563,672)		(624,292,730)	
Net current liabilities			(180,729,894)		(463,920,297)
Total assets less current liabilities			28,212,093		(83,085,495)
Creditors. amounts falling due after more than one year	10		(154,092,406)		-
			(125,880,313)		(83,085,495)
Capital and reserves					
Called up share capital	11		10,000		10,000
Share premium account	12		17,500		17,500
Profit and loss account	12		(125,907,813)		(83,112,995)
Shareholders' funds	13		(125,880,313)		(83,085,495)

The notes on pages 8 to 18 form part of these financial statements

The financial statements were approved by the board of directors on 26.2.13 and were signed on its behalf by

P Roberts
Director

G Davis
Director

Malmaison and Hotel du Vin Property Holdings Limited
Company Registration No 05990905

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of land and buildings

The provisions of the Companies Act 2006 require directors to confirm whether, after making appropriate enquiries, they have reasonable expectations that the Company and the Group have adequate financial resources to continue in operational existence for the foreseeable future

As part of the regular financial management of the Company and Group, the Directors review the detailed cash flow projections and debt facility requirements of the Group These cash flow projections include the net cash flows arising from operations, capital expenditure proposals and the financial effect of planned business expansion and disposals The projections take into account all existing and prospective bank and other financing facilities available to the Group

The Group is dependent for its working capital requirements on cash generated from operations, cash holdings of £1 8 million as at 30 June 2012, bank loan facilities totalling £177 6 million which were fully drawn at 30 June 2012 and a bank overdraft facility of £5 0 million which was partially drawn at 30 June 2012 The Company has provided a cross guarantee as part of the group banking facility and as such the Group's financing position is critical to the going concern assessment of the Company

The Group's financing facilities are provided by Bank of Scotland PLC, The Royal Bank of Scotland PLC and Riverland Holdings SarL The facilities are split into the following tranches, A for £135 3m and B for £23 4m with a repayment date of 31 December 2014 and tranche C for £18 9m Tranche C had an original repayment date of 31 January 2013 however this is being extended, with all lenders' consent, as a result of the sale process Further the provider of the C tranche Riverland Holdings SarL have provided the Group with a commitment to offer the group a mezzanine facility to be used to repay any outstanding C commitment due on the facility C repayment date, the mezzanine facility will be due for repayment on 31 December 2014 As at 30 June 2012 the company forecasted to breach the terms of its facility agreement in the future test periods of June 2013, with a failure in its Leverage test, and in the test period December 2013 with a failure in its Loan to Value test At the end of December 2012 the same facility breaches are forecast

The facilities are in default on account of the Group's ultimate parent undertaking, MWB Group Holdings Plc, not filing its financial statements for the year ended 30 June 2012 within 120 days of the year end However, the Group's bankers have given consent to allow the financial statements of the MWB Malmaison Holdings Limited instead of MWB Group Holdings Plc in lieu of the company pursuing an orderly sale process as discussed below

The financial statements have been prepared on a going concern basis, which assumes that the Group will be able to meet its liabilities as they fall due for the foreseeable future However, the ability of the Group and the Parent Company to meet their liabilities as they fall due for the foreseeable future is dependent upon the successful outcome of negotiations which are at advanced stages In an agreement with its lenders the Group commenced the orderly sale of the equity shareholding of the Group At February 2013 the process is in the final stages of negotiation with a number of credible buyers who are all prepared to restructure the capital of the company by reducing the debt of the Group and provide for significant development in the business to secure the long-term future of the Group It is anticipated the key terms of an agreement will be in place by February 2013 with a view to a completion of the process during March 2013

The counterparties referred to above are not yet contractually committed and therefore the Directors have concluded that the combination of these circumstances represents a material uncertainty that may cast significant doubt upon the Group's ability to continue as a going concern However, the Board have a reasonable expectation that the sale process will reach a satisfactory conclusion by March 2013 and should this not be achieved the Board and their advisers will establish a detailed timetable to continue the process of finding a suitable buyer for the business

1 Accounting policies (continued)

On this basis, the Directors have prepared cash flow projections for the period to 31st March 2014 ("the projections") which are based on appropriate base case and sensitised assumptions The projections show that the Group is capable of operating within anticipated financing arrangements and therefore the Directors continue to adopt the going concern basis in preparing these financial statements The financial statements do not include any adjustments that would be required if the going concern basis were not appropriate

Should the above matters not conclude satisfactorily, the existing terms of the facilities, including financial covenants, remain in force and the Board anticipate ongoing covenant breaches In such circumstances the board will continue the process to find a suitable buyer for the business in the orderly manner in which the senior lenders have instructed whilst maintaining a timely dialogue with the senior lenders However, significant delay may cast further doubt over the Group's ability to continue as a going concern

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group and the consolidated accounts are publically available

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Turnover

Turnover, which is wholly generated within the United Kingdom, represents rents received on hotel proerties let to other companies within the Group during the year and is exclusive of value added tax

1.4 Tangible fixed assets and depreciation

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

Long leasehold property	straight line over 50 years

1.5 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

1.6 Investments

The interest of the Company in the shares of subsidiary undertakings is stated at cost less any provision for impairment

1.7 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes The deferred tax balance has not been discounted

1.8 Group accounts

The financial statements present information about the Company as an individual undertaking and not about its group The Company has not prepared group accounts as it is exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is a subsidiary undertaking of MWB Malmaison Holdings Limited, a company incorporated in England and Wales, and is included in the consolidated accounts of that company

1.9 Finance costs

Finance costs are charged to the profit and loss account over the term of the debt so that the amount charged is at a constant rate on the carrying amount Finance costs include issue costs which are initially recognised as a reduction in the proceeds of the associated capital instrument

1 Accounting policies **(continued)**

1.10 Sale and leaseback transactions

A sale and leaseback transaction involves the sale of an asset by the Group and the leasing of the same asset back to the Group The lease payments and the sale price are usually interdependent as they are negotiated as a package The accounting treatment of a sale and leaseback transaction depends upon the type of lease involved and the economic and commercial substance of the whole arrangement

(a) Finance leases
Sale and leaseback transactions that result in the Group retaining the majority of the risks and rewards of ownership of assets are accounted for as finance leases Any excess of sales proceeds over the carrying amount is deferred and amortised over the lease term

(b) Operating leases
Sale and leaseback arrangements that result in substantially all of the risks and rewards of ownership of assets being transferred to the lessor are accounted for as operating leases Any excess of sales proceeds over the carrying amount is recognised in the income statement as gain on disposal If the sale price is below fair value any profit or loss should be recognised immediately, except that if the apparent loss is compensated for by future rentals at below market price it should to that extent be deferred and amortised over the remainder of the lease term (or, if shorter, the period during which the reduced rentals are chargeable),

2 Turnover

The total turnover of the Company for the year has been derived from its principal activity wholly undertaken in the United Kingdom

3 Operating profit	**Year ended 30 June 2012**	**18 Months ended 30 June 2011**
	£	**£**
Operating profit is stated after charging		
Depreciation of tangible assets	2,215,753	4,931,847
Loss on disposal of tangible assets	3,774,757	-
Operating lease rentals	814,634	-
Fees for the audit of the Company	1,000	1,000

4 Interest payable	**2012**	**2011**
	£	**£**
On bank loans and overdrafts	21,095,420	29,859,698

5 Taxation

	Year ended 30 June 2012	18 Months ended 30 June 2011
	£	£
Total current tax	-	-
Factors affecting the tax charge for the period		
Loss on ordinary activities before taxation	(42,794,818)	(42,860,683)
Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 25 50% (2011 - 27 67%)	(10,912,679)	(11,859,551)
Effects of		
Loss on disposal not allowable for tax	962,563	-
Excess of depreciation over capital allowances	563,554	1,178,293
Diminution in value of fixed assets not allowable for tax	7,992,389	9,682,773
Excess losses available to carry forward	1,316,520	998,485
Adjustments not reflected in the accounts	77,653	-
	10,912,679	11,859,551
Current tax charge for the period	-	-

The Company has estimated losses of £ 5,300,000 (2011 - £ 3,600,000) available for carry forward against future trading profits

Malmaison and Hotel du Vin Property Holdings Limited

Notes to the financial statements (continued)

For the year ended 30 June 2012

6 Tangible fixed assets

	Long leasehold property
	£
Cost or valuation	
At 1 July 2011	384,481,596
Additions	93,726
Revaluation	(32,879,922)
Disposals	(140,616,254)
At 30 June 2012	211,079,146
Depreciation	
At 1 July 2011	3,664,294
Revaluation	(1,537,222)
On disposals	(2,188,166)
Charge for the year	2,215,753
At 30 June 2012	2,154,659
Net book value	
At 30 June 2012	208,924,487
At 30 June 2011	380,817,302

6 Tangible fixed assets (continued)

The Group's property, plant and equipment is all located in the United Kingdom In 2011 the Group's operational properties were valued by independent qualified professional valuers working for the company DTZ Chartered Surveyors ("DTZ"), acting in the capacity of External Valuers All such valuers are Chartered Surveyors, being members of the Royal Institution of Chartered Surveyors ("RICS")

For the current year end, an interim valuation has been performed as the Directors were of the view that a material change in the values of the properties had occurred This valuation was performed by a qualified internal valuer, the Property Director of the Group, who is a member of the Royal Institution of Chartered Surveyors and has significant post-qualification experience and sufficient knowledge of the state of the hotel market

All property valuations were valued on the basis of Existing Use Value Existing Use Value is defined as the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction, after proper marketing, wherein the parties had acted knowledgeably, prudently and without compulsion, assuming that the buyer is granted vacant possession of all parts of the property required by the business

The valuation of the hotels is based on estimates of annual maintainable earnings before interest, tax, depreciation and amortisation ("EBITDA") for each property over a 10 year cash flow period These estimates are based on the historic, current and budgeted trading information reviewed by the Board

In valuing the hotels the properties have been valued as fully equipped operational entities and at their full trading potential The valuation, therefore, includes the land and buildings, the trade fixtures, fittings, furniture, furnishings and equipment, and the market's perception of the trading potential excluding personal goodwill, together with an assumed ability to renew existing licences, consents, certificates and permits The value excludes consumables and stock in trade

The value attributed to fixtures, fittings, furniture, furnishings and equipment is excluded from the revalued amounts included within freehold and long leasehold properties as these are separately included at cost within other categories of property, plant and equipment

The valuation excludes any goodwill associated with the management by the Company or its subsidiaries but recognises that the hotel property assets would probably be sold as trading entities In accordance with RICS guidance, the valuation must lot or group properties in the manner most likely to be adopted in the case of an actual sale Therefore, the hotel properties have been lotted together, were the properties to be marketed individually the values achieved could be different from those in the valuation

6 Tangible fixed assets **(continued)**

Comparable historical cost for the land and buildings included at valuation:

	£
Cost	
At 1 July 2011	474,640,812
Additions	93,727
Disposals	(123,767,757)
At 30 June 2012	350,966,782
Depreciation based on cost	
At 1 July 2011	11,925,759
Charge for the year	2,219,052
On disposals	(3,810,970)
At 30 June 2012	10,333,841
Net book value	
At 30 June 2012	340,632,941
At 30 June 2011	462,715,053

7 **Fixed asset investments**

	Shares in subsidiary undertakings
	£
Cost	
At 1 July 2011 & at 30 June 2012	17,500
Net book value	
At 30 June 2012	17,500
At 30 June 2011	17,500

Holdings of more than 20%
The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Shares held Class	%
Subsidiary undertakings			
Malmaison and Hotel du Vin Limited	England and Wales	Ordinary	100 00
Malmaison and Hotel du Vin Property Limited	England and Wales	Ordinary	75 00
Golf Hotel St Andrews (2008) Limited	Scotland	Ordinary	100 00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial period were as follows

	Principal activity	Capital and reserves 2012 £	Profit/(loss) for the period 2012 £
Malmaison and Hotel du Vin Limited	Property investment	11,053	-
Malmaison and Hotel du Vin Property Limited	Property investment	25,628	14,399
Golf Hotel St Andrews (2008) Limited	Hotel and restaurant	(154,693)	(39,055)

8 Debtors

	30 June 2012	30 June 2011
	£	£
Amounts owed by parent and fellow subsidiary undertakings	165 272 466	160 300 355
Other debtors	175 000	69,078
Prepayments and accrued income	48,386,060	-
	213 833.526	160 369 433

Amounts falling due after more than one year and included in the debtors above are

	2012	2011
	£	£
Fair value calculation of leasehold rents	47 164,112	-

As a result of the sale and leaseback, in which the sales price of £85 5m was £53 3m below the fair value at that date, a deferred rent prepayment asset was recognised of £49 2m due to the deficit representing compensation for future lease payments below market price This deferred rent asset is being amortised over the remainder of the lease term

9 Creditors amounts falling due within one year

	30 June 2012	30 June 2011
	£	£
Bank loans and overdrafts	18,944,178	275 539 316
Trade creditors	377,720	79.961
Amounts owed to parent and fellow subsidiary undertakings	361,266,518	335 395 885
Taxes and social security costs	484,259	2,643.990
Accruals and deferred income	13,490,997	10 633 578
	394,563,672	624 292 730

Debt due in one year or less	18,944,178	275,539,316

10 Creditors. amounts falling due after more than one year

	30 June 2012	30 June 2011
	£	£
Bank loans	154,092,406	-
Analysis of loans		
Wholly repayable within five years	173,036,584	275,539,316
	173,036,584	275,539,316
Included in current liabilities	(18 944 178)	(275,539,316)
	154,092,406	-
Loan maturity analysis		
In more than one year but not more than two years	5,500,000	-
In more than two years but not more than five years	148,592 406	-

On 29 September 2011, the Group agreed terms for a revised £282 5m facility with the Lloyds Banking Group and Riverland SarL, a subsidiary of RBSM Investments

All of the Group's loans are denominated in Sterling Further detail regarding the profile of the debt can be found in note 1 to these accounts The Group's loans bear floating rates of interest which are normally for periods ranging from one week to one year, set by reference to LIBOR The loans are secured by charges on substantially all of the Group's property, plant and equipment and are proportionately repayable if any underlying security is sold

The Group's bank facility was covered by an interest rate swap with a fair value at 30 June 2012 of £2 404,157 (30 June 2011 - £2,573,958)

11 Share capital

	30 June 2012	30 June 2011
	£	£
Allotted, called up and fully paid		
10,000 Ordinary shares of £1 each	10,000	10 000

12 Statement of movements on reserves

	Share premium account	Profit and loss account
	£	£
Balance at 1 July 2011	17,500	(83,112,995)
Loss for the period	-	(42,794,818)
Balance at 30 June 2012	17,500	(125,907,813)

13 Reconciliation of movements in shareholders' funds

	30 June 2012 £	30 June 2011 £
Loss for the financial year/period	(42,794,818)	(42,860,683)
Opening shareholders' deficit	(83,085,495)	(40,224,812)
Closing shareholders' deficit	(125,880,313)	(83,085,495)

14 Contingent liabilities

The Company is registered with HM Revenue and Customs as a member of a Group for VAT purposes As a result, it is jointly and severally liable on a continuing basis for amounts owing by other members of the Group in respect of unpaid VAT The estimated liability to the Group at the year end amounted to £0 5m (2011- £1 1m)

15 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

	Year ended 30 June 2012	18 Months ended 30 June 2011
Directors	5	3

None of the directors received any emoluments from the Company for their services during the period (2011 - £nil)

16 Control

The immediate parent company is MWB Malmaison Holdings Limited The ultimate parent company is MWB Group Holdings Plc All companies are registered in England and Wales The smallest group in which the results of the Company are consolidated is that headed by MWB Malmaison Holdings Limited The largest group in which the results of the Company are consolidated is that headed by MWB Group Holdings Plc (in administration)

17 Related party transactions

The Company has taken advantage of the exemption available in accordance with FRS 8 'Related party disclosures' not to disclose transactions entered into between two or more members of a group, as the Company is a wholly owned subsidiary undertaking of the group to which it is party to the transactions