

125335

THE BALMORAL HOTEL HARROGATE LIMITED
Report and Accounts
25 March 2000

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The Balmoral Hotel Harrogate Limited

Registered No: 125335

DIRECTORS

T J Hemmings (Chairman)
J C Kay
S Stott

SECRETARY

S Stott

AUDITORS

Ernst & Young
Ten George Street
Edinburgh
EH2 2DZ

BANKERS

Bank of Scotland
PO Box No 5
The Mound
Edinburgh
EH1 1YZ

SOLICITORS

Halliwell Landau
Manchester

Maclay Murray & Spens
Edinburgh

REGISTERED OFFICE

3 Glenfinlas Street
Edinburgh
EH3 6AQ

The Balmoral Hotel Harrogate Limited

DIRECTORS' REPORT

The directors present their report and accounts for the year ended 25 March 2000.

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The company did not trade during the year.

DIRECTORS AND THEIR INTERESTS

The directors who served during the year are shown on page 2.

No directors had an interest in the shares of the company, nor in the shares of Paragon Hotels Limited, the company's parent undertaking.

AUDITORS

In accordance with the provisions of section 386 of the Companies Act 1985, the company has elected to dispense with the obligation to appoint auditors annually. Accordingly, Ernst & Young will continue in office as auditors.

By order of the Board



Secretary

W² January 2001.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the directors to prepare accounts for each financial year which 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 those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

REPORT OF THE AUDITORS
to the shareholders of The Balmoral Hotel Harrogate Limited

We have audited the accounts on pages 6 to 8, which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 4 the company's directors are responsible for the preparation of the accounts in accordance with applicable United Kingdom law and accounting standards. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you. Our responsibilities, as independent auditors, are established in the United Kingdom by Statute, the Auditing Practices Board and by our profession's ethical guidance.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company as at 25 March 2000 and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young

Registered Auditor
Edinburgh

23 January 2001

The Balmoral Hotel Harrogate Limited

BALANCE SHEET at 25 March 2000

	Notes	2000 £000	1999 £000
CURRENT ASSETS			
Debtors	2	6,784	6,784
		<u>6,784</u>	<u>6,784</u>
CREDITORS: amounts falling due within one year	3	(164)	(164)
NET CURRENT ASSETS		<u>6,620</u>	<u>6,620</u>
CREDITORS: amounts falling due after more than one year	4	(6,460)	(6,460)
TOTAL ASSETS LESS LIABILITIES		<u>160</u>	<u>160</u>
CAPITAL AND RESERVES			
Called up share capital	5	160	160
EQUITY SHAREHOLDERS' FUNDS		<u>160</u>	<u>160</u>

The company was dormant throughout the financial period.



Director

22 January 2001

The Balmoral Hotel Harrogate Limited

NOTES TO THE ACCOUNTS at 25 March 2000

1. ACCOUNTING POLICIES

Basis of preparation

The accounts have been prepared on a going concern basis under the historical cost convention and in accordance with currently applicable accounting standards.

2. DEBTORS

	2000 £000	1999 £000
Amounts due by parent undertaking	6,784	6,784

3. CREDITORS: amounts falling due within one year

	2000 £000	1999 £000
Amounts owed to fellow subsidiary undertakings	164	164

4. CREDITORS: amounts falling due after more than one year

	2000 £000	1999 £000
Amount owed to parent undertaking	6,460	6,460

There are no formal repayment terms agreed between parent and subsidiary undertakings and the loans are not repayable on demand.

5. CALLED UP SHARE CAPITAL

	Authorised		Allotted, called up and fully paid	
	2000 £000	1999 £000	2000 £000	1999 £000
Ordinary shares of £1 each	160	160	160	160

6. CONTINGENT LIABILITIES

The company is party to an agreement with its bankers whereby the bank is entitled to hold all sums at credit of any accounts in the company's name in security of all sums due to the bank by the company's parent company and fellow subsidiary undertakings. The overdraft is secured by bond and floating charge and standard security over all of the group's properties.

The Balmoral Hotel Harrogate Limited

NOTES TO THE ACCOUNTS at 25 March 2000

7. **ULTIMATE PARENT COMPANY**

The company's immediate parent undertaking is Paragon Hotels Limited, a company registered in England and Wales. The company's results are included in the consolidated accounts of Paragon Hotels Limited and copies of its Annual Report and Accounts may be obtained from The Registrar of Companies, Companies House, Crown Way, Cardiff, CF4 3U2.

The company's ultimate parent company and controlling party is Calgarth Limited, which is incorporated in the Isle of Man.

8. **PROFIT AND LOSS ACCOUNT**

The company did not trade during the year and accordingly no profit and loss account has been prepared.