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Registration number 03811108

Lime Wood Group Limited

Directors' Report and Consolidated Financial Statements

for the Year Ended 31 December 2012

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Lime Wood Group Limited
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Lime Wood Group Limited
Directors' Report for the Year Ended 31 December 2012

The directors present their report and the consolidated financial statements for the year ended 31 December 2012

Directors of the company

The directors who held office during the year were as follows

R C Hutson

B R Foster

Principal activity

The principal activity of the group is that of hoteliers

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 group and the company and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and 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, and
- 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 group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Lime Wood Group Limited
Directors' Report for the Year Ended 31 December 2012

..... *continued*

Business review

Fair review of the business

Lime Wood in Lyndhurst and Le Portetta in Courchevel both had another very successful year with sales up by 11% and EBITDA up by 25% for Lime Wood and sales up by 9% and EBITDA up by 15% for Le Portetta

The group's key financial and other performance indicators during the year were as follows

	Unit	2012	2011
Lime Wood Hotel Turnover	£	7,217,007	6,527,988
Lime Wood Hotel EBITDA	£	1,380,470	1,103,441
Le Portetta Hotel Turnover	€	2,606,205	2,388,341
Le Portetta Hotel EBITDA	€	883,354	771,141

The above figures exclude Head Office expenses

Principal risks and uncertainties

The business' principal financial instruments comprise bank balances and loans to the business. The main purpose of these instruments is to finance the business' operations.

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. All of the business' cash balances are held in such a way that achieves a competitive rate of interest. The business makes use of money market facilities where funds are available.

Loans comprise loans from financial institutions. The interest rates and monthly repayments are fixed. The business manages the liquidity risk by ensuring that there are sufficient funds to meet the payments.

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the group's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

Approved by the Board on 17/09/13 and signed on its behalf by



M Rice
Company secretary

Independent Auditor's Report to the Members of Lime Wood Group Limited

We have audited the financial statements of Lime Wood Group Limited for the year ended 31 December 2012, set out on pages 5 to 26. 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 Statement of Directors Responsibilities (set out on page 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 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 (APB'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 group's and parent 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. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2012 and of the group's 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 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
Lime Wood Group Limited**

..... 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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



Adrian Bunston FCA (Senior Statutory Auditor)
For and on behalf of Princecroft Willis LLP, Statutory Auditor

The George Business Centre
Christchurch Road
New Milton
Hampshire
BH25 6QJ

19 September 2013

Lime Wood Group Limited
Consolidated Profit and Loss Account for the Year Ended 31 December 2012

	Note	2012 £	2011 £
Turnover	2	9,709,411	9,225,346
Cost of sales		<u>(1,530,568)</u>	<u>(1,662,078)</u>
Gross profit		8,178,843	7,563,268
Administrative expenses		(8,954,308)	(9,313,694)
Other operating income		<u>415</u>	<u>6,794</u>
Group operating loss	3	<u>(775,050)</u>	<u>(1,743,632)</u>
Total operating loss group and share of joint venture and associate		<u>(775,050)</u>	<u>(1,743,632)</u>
Loss on disposal of fixed assets	5	-	(4,255,776)
Other exceptional items	5	<u>(206,480)</u>	<u>(239,132)</u>
Non-operating exceptional items		(206,480)	(4,494,908)
Interest payable and similar charges	7	<u>(249,578)</u>	<u>(132,927)</u>
Loss on ordinary activities before taxation		<u>(1,231,108)</u>	<u>(6,371,467)</u>
Loss for the financial year attributable to members of the parent company	17	<u>(1,231,108)</u>	<u>(6,371,467)</u>

Turnover and operating profit derive wholly from continuing operations

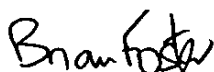
Lime Wood Group Limited
Consolidated Statement of Total Recognised Gains and Losses for the Year Ended 31
December 2012

	Note	2012 £	2011 £
Loss for the financial year		(1,231,108)	(6,371,467)
Foreign currency translation differences		<u>242,201</u>	<u>845,609</u>
Total recognised gains and losses relating to the year		<u>(988,907)</u>	<u>(5,525,858)</u>

Lime Wood Group Limited
Consolidated Balance Sheet at 31 December 2012

		2012		2011	
	Note	£	£	£	£
Fixed assets					
Intangible fixed assets	9		4,305,771		5,441,471
Tangible fixed assets	10		36,934,955		38,300,472
Current assets					
Stocks	12	453,946		494,293	
Debtors	13	1,042,149		509,157	
Cash at bank and in hand		<u>427,211</u>		<u>574,805</u>	
		1,923,306		1,578,255	
Creditors Amounts falling due within one year	14	<u>(3,221,936)</u>		<u>(2,793,860)</u>	
Net current liabilities			<u>(1,298,630)</u>		<u>(1,215,605)</u>
Total assets less current liabilities			39,942,096		42,526,338
Creditors Amounts falling due after more than one year	15		<u>(36,457,042)</u>		<u>(38,052,377)</u>
Net assets			<u>3,485,054</u>		<u>4,473,961</u>
Capital and reserves					
Called up share capital	16	21,776		21,776	
Share premium account	17	52,725,590		52,725,590	
Revaluation reserve	17	97,120		97,120	
Profit and loss account	17	<u>(49,359,432)</u>		<u>(48,370,525)</u>	
Shareholders' funds	18		<u>3,485,054</u>		<u>4,473,961</u>

Approved by the Board on 12/09/13 and signed on its behalf by



B R Foster
Director

Lime Wood Group Limited
(Registration number: 03811108)
Balance Sheet at 31 December 2012

	Note	2012 £	2011 £
Fixed assets			
Tangible fixed assets	10	21,890,084	22,131,027
Investments	11	17,772,192	18,206,827
		<u>39,662,276</u>	<u>40,337,854</u>
Current assets			
Stocks	12	393,453	439,445
Debtors	13	723,814	135,691
Cash at bank and in hand		178,016	263,039
		<u>1,295,283</u>	<u>838,175</u>
Creditors Amounts falling due within one year	14	<u>(2,611,608)</u>	<u>(2,091,706)</u>
Net current liabilities		<u>(1,316,325)</u>	<u>(1,253,531)</u>
Total assets less current liabilities		38,345,951	39,084,323
Creditors Amounts falling due after more than one year	15	<u>(22,696,963)</u>	<u>(23,715,598)</u>
Net assets		<u>15,648,988</u>	<u>15,368,725</u>
Capital and reserves			
Called up share capital	16	21,776	21,776
Share premium account	17	52,725,590	52,725,590
Revaluation reserve	17	97,120	97,120
Profit and loss account	17	<u>(37,195,498)</u>	<u>(37,475,761)</u>
Shareholders' funds	18	<u>15,648,988</u>	<u>15,368,725</u>

Approved by the Board on 17/09/13 and signed on its behalf by



B R Foster
Director

Lime Wood Group Limited
Consolidated Cash Flow Statement for the Year Ended 31 December 2012

Reconciliation of operating loss to net cash flow from operating activities

	2012 £	2011 £
Operating loss	(775,050)	(1,743,632)
Depreciation, amortisation and impairment charges	2,162,429	2,358,565
(Profit)/loss on disposal of fixed assets	(16,484)	54,166
Decrease/(increase) in stocks	40,347	(27,061)
(Increase)/decrease in debtors	(533,355)	229,940
Increase in creditors	140,076	395,344
Fixed asset impairment	(206,480)	-
Net cash inflow from operating activities	<u>811,483</u>	<u>1,267,322</u>

Cash flow statement

	2012 £	2011 £
Net cash inflow from operating activities	<u>811,483</u>	<u>1,267,322</u>
Returns on investments and servicing of finance		
Interest paid	<u>(249,578)</u>	<u>(132,927)</u>
Tax received	<u>363</u>	<u>410</u>
Capital expenditure and financial investment		
Sale of intangible fixed assets	-	1
Purchase of tangible fixed assets	(330,133)	(3,710,611)
Sale of tangible fixed assets	<u>216,800</u>	<u>3,150,000</u>
	<u>(113,333)</u>	<u>(560,610)</u>
Net cash inflow before management of liquid resources and financing	<u>448,935</u>	<u>574,195</u>
Financing		
Value of new loans obtained during the period	5,000,000	8,398,400
Repayment of loans and borrowings	(5,564,314)	(38,129,872)
Issue of shares	-	29,326,726
	<u>(564,314)</u>	<u>(404,746)</u>
(Decrease)/increase in cash	<u>(115,379)</u>	<u>169,449</u>

Lime Wood Group Limited
Consolidated Cash Flow Statement for the Year Ended 31 December 2012
..... *continued*

Reconciliation of net cash flow to movement in net debt

	Note	2012 £	2011 £
(Decrease)/increase in cash		(115,379)	169,449
Cash inflow from increase in loans		(5,000,000)	(8,398,400)
Cash outflow from repayment of loans		<u>5,564,314</u>	<u>38,129,872</u>
Change in net debt resulting from cash flows	20	448,935	29,900,921
Exchange differences		<u>710,806</u>	<u>745,671</u>
Movement in net debt	20	1,159,741	30,646,592
Net debt at 1 January	20	<u>(37,879,572)</u>	<u>(68,526,164)</u>
Net debt at 31 December	20	<u><u>(36,719,831)</u></u>	<u><u>(37,879,572)</u></u>

Lime Wood Group Limited
Notes to the Financial Statements for the Year Ended 31 December 2012

1 Accounting policies

Basis of preparation

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

Basis of consolidation

The group financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 31 December 2012

Subsidiary undertakings are included using the acquisitions method of accounting. Under this method the group profit and loss account and statement of cashflows include the results and cashflows of subsidiaries from the date of acquisition and to the date of sale outside the group in the case of disposals of subsidiaries. The purchase consideration has been allocated to the assets and liabilities on the basis of fair value at the date of acquisition.

No profit and loss account is presented for the company as permitted by Section 408 of the Companies Act 2006. Its profit for the financial year was £290,263 (2011 - £4,858,435 loss)

Going concern

These financial statements have been prepared on a going concern basis, despite the excess of current liabilities over current assets shown on the balance sheet. This basis has been applied assuming the continued support of the shareholder.

Turnover

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers.

Government grants

Government grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the relevant assets by equal annual instalments. Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

Goodwill

Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

If a subsidiary, associate or business is subsequently sold or closed, any goodwill arising on acquisition that was written off directly to reserves or that has not been amortised through the profit and loss account is taken into account in determining the profit or loss on sale or closure.

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Lime Wood Group Limited

Notes to the Financial Statements for the Year Ended 31 December 2012

..... continued

Asset class	Amortisation method and rate
Goodwill	10% straight line basis
Licenses	Nil - 100% straight line

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows

Asset class	Depreciation method and rate
Land and buildings	Nil - 25% straight line basis
Plant and machinery	20 - 50% straight line basis
Fixtures and fittings	10 - 50% straight line basis and 15% reducing balance basis
Motor vehicles	20% straight line basis and 25% reducing balance basis
Office equipment	20 - 33% straight line basis

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs

Foreign currency

Company

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account.

Hire purchase and leasing

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the group is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

Lime Wood Group Limited

Notes to the Financial Statements for the Year Ended 31 December 2012

..... *continued*

2 Turnover

An analysis of turnover by geographical location is given below

	2012 £	2011 £
Sales - UK	7,323,225	7,095,230
Sales - Europe	2,386,186	2,130,116
	<u>9,709,411</u>	<u>9,225,346</u>

3 Operating loss

Operating loss is stated after charging

	2012 £	2011 £
Operating leases - plant and machinery	66,573	71,032
Operating leases - other assets	63,328	66,048
Foreign currency (gains)/losses	(432)	15,453
Profit on sale of tangible fixed assets	(16,484)	-
Loss on sale of intangible fixed assets	-	54,166
Depreciation of owned assets	1,145,191	1,293,689
Amortisation	1,017,238	1,064,876
Auditor's remuneration	16,454	26,570
	<u>16,454</u>	<u>26,570</u>

4 Auditor's remuneration

	2012 £	2011 £
Audit of the financial statements	8,000	8,000
Other fees to auditors		
Other services	8,454	18,570
	<u>16,454</u>	<u>26,570</u>

£8,000 (2011 - £8,000) of the fee for auditing the financial statements and £8,454 (2011 - £18,570) of other fees to auditors relates to the company

Lime Wood Group Limited

Notes to the Financial Statements for the Year Ended 31 December 2012

..... *continued*

5 Exceptional items

	2012	2011
	£	£
(Profit) / loss on sale of fixed assets	-	4,255,776
Other exceptional	<u>206,480</u>	<u>239,132</u>
	<u><u>206,480</u></u>	<u><u>4,494,908</u></u>

The other exceptional item relates to the impairment of fixed assets

6 Particulars of employees

The average number of persons employed by the group (including directors) during the year, analysed by category was as follows

	2012	2011
	No	No.
Administration and support	5	5
Sales, marketing and distribution	<u>181</u>	<u>177</u>
	<u><u>186</u></u>	<u><u>182</u></u>

The aggregate payroll costs were as follows

	2012	2011
	£	£
Wages and salaries	3,451,117	3,571,374
Social security costs	<u>338,727</u>	<u>358,299</u>
	<u><u>3,789,844</u></u>	<u><u>3,929,673</u></u>

7 Interest payable and similar charges

	2012	2011
	£	£
Interest on bank borrowings	47,881	79,923
Interest on other loans	<u>201,697</u>	<u>53,004</u>
Group interest payable and similar charges	<u><u>249,578</u></u>	<u><u>132,927</u></u>

Lime Wood Group Limited

Notes to the Financial Statements for the Year Ended 31 December 2012

..... *continued*

8 Taxation

Factors affecting current tax charge for the year

Tax on loss on ordinary activities for the year is higher than (2011 - higher than) the standard rate of corporation tax in the UK of 20% (2011 - 26%)

The differences are reconciled below

	2012	2011
	£	£
Loss on ordinary activities before taxation	<u>(1,231,108)</u>	<u>(6,371,467)</u>
Corporation tax at standard rate	(246,222)	(1,656,581)
Accelerated capital allowances	(3,021)	(40,384)
Disallowed expenses	2,931	1,081
Amortisation and impairment	203,448	332,542
Loss on disposal of property and goodwill	-	1,126,675
Capital loss	(515,720)	(1,193,684)
Tax losses carried forward	516,234	1,307,330
Tax adjustments in foreign subsidiary	100,827	123,021
Utilisation of tax losses	<u>(58,477)</u>	<u>-</u>
Total current tax	<u>-</u>	<u>-</u>

Lime Wood Group Limited

Notes to the Financial Statements for the Year Ended 31 December 2012

..... continued

9 Intangible fixed assets

Group

	Goodwill £	Licenses £	Total £
Cost			
At 1 January 2012	10,408,958	10,612	10,419,570
Currency translation	(226,607)	(231)	(226,838)
At 31 December 2012	<u>10,182,351</u>	<u>10,381</u>	<u>10,192,732</u>
Amortisation			
At 1 January 2012	4,967,570	10,529	4,978,099
Charge for the year	1,017,238	-	1,017,238
Currency translation	(108,146)	(230)	(108,376)
At 31 December 2012	<u>5,876,662</u>	<u>10,299</u>	<u>5,886,961</u>
Net book value			
At 31 December 2012	<u>4,305,689</u>	<u>82</u>	<u>4,305,771</u>
At 31 December 2011	<u>5,441,388</u>	<u>83</u>	<u>5,441,471</u>

Lime Wood Group Limited

Notes to the Financial Statements for the Year Ended 31 December 2012

..... *continued*

10 Tangible fixed assets

Group

	Freehold land and buildings £	Long leasehold land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Office equipment £	Total £
Cost or valuation							
At 1 January 2012	69,471,728	200,000	450,761	4,580,106	34,941	107,154	74,844,690
Additions	129,203	-	40,227	89,020	47,170	24,513	330,133
Disposals	(2,778,599)	-	-	-	(3,099)	-	(2,781,698)
Currency translation	(457,873)	-	(3,618)	(46,762)	(628)	(666)	(509,547)
At 31 December 2012	66,364,459	200,000	487,370	4,622,364	78,384	131,001	71,883,578
Depreciation							
At 1 January 2012	34,225,077	-	334,891	1,871,956	33,801	78,493	36,544,218
Charge for the year	675,954	-	56,544	393,403	3,209	16,081	1,145,191
Eliminated on disposals	(2,578,599)	-	-	-	(2,783)	-	(2,581,382)
Currency translation	(133,670)	-	(2,502)	(21,955)	(628)	(649)	(159,404)
At 31 December 2012	32,188,762	-	388,933	2,243,404	33,599	93,925	34,948,623

Lime Wood Group Limited

Notes to the Financial Statements for the Year Ended 31 December 2012

..... *continued*

Net book value

At 31 December 2012	<u>34,175,697</u>	<u>200,000</u>	<u>98,437</u>	<u>2,378,960</u>	<u>44,785</u>	<u>37,076</u>	<u>36,934,955</u>
At 31 December 2011	<u>35,246,651</u>	<u>200,000</u>	<u>115,870</u>	<u>2,708,150</u>	<u>1,140</u>	<u>28,661</u>	<u>38,300,472</u>

Lime Wood Group Limited
Notes to the Financial Statements for the Year Ended 31 December 2012

..... *continued*

Company	Freehold land and buildings £	Long leasehold land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Office equipment £	Total £
Cost or valuation							
At 1 January 2012	48,439,848	200,000	284,601	2,432,152	6,099	76,586	51,439,286
Additions	129,203	-	26,801	44,204	47,170	8,226	255,604
Disposals	(2,778,599)	-	-	-	(3,099)	-	(2,781,698)
At 31 December 2012	45,790,452	200,000	311,402	2,476,356	50,170	84,812	48,913,192
Depreciation							
At 1 January 2012	28,171,223	-	219,938	863,486	4,959	48,653	29,308,259
Charge for the year	-	-	35,775	241,931	3,209	15,316	296,231
Eliminated on disposals	(2,578,599)	-	-	-	(2,783)	-	(2,581,382)
At 31 December 2012	25,592,624	-	255,713	1,105,417	5,385	63,969	27,023,108
Net book value							
At 31 December 2012	20,197,828	200,000	55,689	1,370,939	44,785	20,843	21,890,084
At 31 December 2011	20,268,625	200,000	64,663	1,568,666	1,140	27,933	22,131,027

Lime Wood Group Limited

Notes to the Financial Statements for the Year Ended 31 December 2012

..... *continued*

11 Investments held as fixed assets

Group

Company

	2012 £	2011 £
Shares in group undertakings and participating interests	<u>17,772,192</u>	<u>18,206,827</u>

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
At 1 January 2012	18,206,827	18,206,827
Revaluation	<u>(434,635)</u>	<u>(434,635)</u>
At 31 December 2012	<u>17,772,192</u>	<u>17,772,192</u>
Net book value		
At 31 December 2012	<u>17,772,192</u>	<u>17,772,192</u>
At 31 December 2011	<u>18,206,827</u>	<u>18,206,827</u>

Details of undertakings

Details of the investments in which the group holds 20% or more of the nominal value of any class of share capital are as follows

Undertaking	Holding	Proportion of voting rights and shares held	Principal activity
Subsidiary undertakings			
Sarl Portetta France	Ordinary	100%	Hoteliers

Lime Wood Group Limited

Notes to the Financial Statements for the Year Ended 31 December 2012

..... continued

12 Stocks

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Stocks	<u>453,946</u>	<u>494,293</u>	<u>393,453</u>	<u>439,445</u>

13 Debtors

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Trade debtors	91,521	103,632	37,202	27,948
Other debtors	318,694	119,311	231,652	11,655
Prepayments and accrued income	<u>631,934</u>	<u>286,214</u>	<u>454,960</u>	<u>96,088</u>
	<u>1,042,149</u>	<u>509,157</u>	<u>723,814</u>	<u>135,691</u>

Group debtors includes £200,000 (2011 - £nil) receivable after more than one year and parent company debtors includes £200,000 (2011 - £nil) receivable after more than one year

This can be analysed as follows

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Other debtors	<u>200,000</u>	<u>-</u>	<u>200,000</u>	<u>-</u>

Lime Wood Group Limited

Notes to the Financial Statements for the Year Ended 31 December 2012

..... *continued*

14 Creditors: Amounts falling due within one year

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Trade creditors	1,330,105	1,042,903	942,405	751,435
Bank loans and overdrafts	690,000	402,000	402,000	114,000
Amounts owed to group undertakings	-	-	738,518	544,065
Other taxes and social security	283,859	358,481	283,938	355,722
Other creditors	677,695	713,191	4,470	49,199
Accruals and deferred income	240,277	277,285	240,277	277,285
	<u>3,221,936</u>	<u>2,793,860</u>	<u>2,611,608</u>	<u>2,091,706</u>

15 Creditors: Amounts falling due after more than one year

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Bank loans and overdrafts	9,701,778	5,628,993	6,882,500	2,476,500
Other creditors	26,755,264	32,423,384	15,814,463	21,239,098
	<u>36,457,042</u>	<u>38,052,377</u>	<u>22,696,963</u>	<u>23,715,598</u>

Creditors amounts falling due after more than one year includes the following liabilities, on which security has been given by the group/company

Group

	2012	2011
	£	£
Bank loans and overdrafts	<u>10,391,778</u>	<u>6,030,993</u>

The bank loans and overdrafts are secured by fixed and floating charges over assets held in the company as well as first legal charges over selected properties

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
After more than five years by instalments	<u>1,667,278</u>	<u>2,000,493</u>	<u>-</u>	<u>-</u>

Lime Wood Group Limited

Notes to the Financial Statements for the Year Ended 31 December 2012

..... continued

16 Share capital

Allotted, called up and fully paid shares

	2012		2011	
	No.	£	No	£
A Ordinary shares of £1 each	500	500	500	500
B Ordinary shares of £1 each	21,276	21,276	21,276	21,276
	<u>21,776</u>	<u>21,776</u>	<u>21,776</u>	<u>21,776</u>

17 Reserves

Group

	Share premium account £	Revaluation reserve £	Profit and loss account £	Total £
At 1 January 2012	52,725,590	97,120	(48,370,525)	4,452,185
Loss for the year	-	-	(1,231,108)	(1,231,108)
Foreign currency translation gains	-	-	242,201	242,201
At 31 December 2012	<u>52,725,590</u>	<u>97,120</u>	<u>(49,359,432)</u>	<u>3,463,278</u>

Company

	Share premium account £	Revaluation reserve £	Profit and loss account £	Total £
At 1 January 2012	52,725,590	97,120	(37,475,761)	15,346,949
Profit for the year	-	-	290,263	290,263
Foreign currency translation losses	-	-	(10,000)	(10,000)
At 31 December 2012	<u>52,725,590</u>	<u>97,120</u>	<u>(37,195,498)</u>	<u>15,627,212</u>

Lime Wood Group Limited

Notes to the Financial Statements for the Year Ended 31 December 2012

..... *continued*

18 Reconciliation of movement in shareholders' funds

Group

	2012 £	2011 £
Loss attributable to the members of the group	(1,231,108)	(6,371,467)
Other recognised gains and losses relating to the year	242,201	845,609
New share capital subscribed	-	29,326,726
Net (reduction)/addition to shareholders' funds	(988,907)	23,800,868
Shareholders' funds/(deficit) at 1 January	4,473,961	(19,326,907)
Shareholders' funds at 31 December	<u>3,485,054</u>	<u>4,473,961</u>

Company

	2012 £	2011 £
Profit/(loss) attributable to the members of the company	290,263	(4,858,435)
Other recognised gains and losses relating to the year	(10,000)	(22,138)
New share capital subscribed	-	29,326,726
Net addition to shareholders' funds	280,263	24,446,153
Shareholders' funds/(deficit) at 1 January	15,368,725	(9,077,428)
Shareholders' funds at 31 December	<u>15,648,988</u>	<u>15,368,725</u>

Lime Wood Group Limited

Notes to the Financial Statements for the Year Ended 31 December 2012

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19 Commitments

Operating lease commitments

Group

As at 31 December 2012 the group had annual commitments under non-cancellable operating leases as follows

Operating leases which expire

	2012 £	2011 £
Other		
Within two and five years	<u>12,000</u>	<u>12,000</u>

Company

As at 31 December 2012 the company had annual commitments under non-cancellable operating leases as follows

Operating leases which expire

	2012 £	2011 £
Other		
Within two and five years	<u>12,000</u>	<u>12,000</u>

20 Analysis of net debt

	At 1 January 2012 £	Cash flow £	Exchange movement £	Other non-cash changes £	At 31 December 2012 £
Cash at bank and in hand	574,805	(115,379)	(32,215)	-	427,211
Debt due within one year	(402,000)	372,314	74,901	(735,215)	(690,000)
Debt due after more than one year	(38,052,377)	192,000	668,120	735,215	(36,457,042)
Net debt	<u>(37,879,572)</u>	<u>448,935</u>	<u>710,806</u>	<u>-</u>	<u>(36,719,831)</u>

21 Post balance sheet events

Subsequent to the year end, the Company converted the loan from Mr J Ratcliffe into equity At 31 December 2012 the loan amounted to £15,814,463

Lime Wood Group Limited

Notes to the Financial Statements for the Year Ended 31 December 2012

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22 Related party transactions

Other related party transactions

During the year the company made the following related party transactions

Mr J Ratcliffe

(Mr J Ratcliffe is the ultimate controlling party)

During the year the company paid rent at market value to Mr J R Ratcliffe totalling £63,328 (2011 - £66,048) for properties used as staff accommodation. At the balance sheet date the amount due to Mr J Ratcliffe was £26,755,264 (2011 - £32,423,384)

Home Grown Hotels Limited

(Company under common ultimate control)

During the year Home Grown Hotels Limited purchased a restaurant (2011 - hotel) at a valuation by a professional external valuer including goodwill, stock, fixtures & fittings, plant & machinery and computer equipment from the group totalling £200,000 (2011 - £3,200,000). The group has charged Home Grown Hotels Limited management fees totalling £266,817 (2011 - £41,169). At the balance sheet date the amount due from/(to) Home Grown Hotels Limited was £211,674 (2011 - (£33,786))

Hutson Management Limited

(Mr R C Hutson is a director of both Hutson Management Limited and Lime Wood Group Limited)

During the year Hutson Management Limited charged the group £218,672 (2011 - £196,937) for non-executive directors fees and expenses. At the balance sheet date the amount due to Hutson Management Limited was £45,774 (2011 - £17,440)

The company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other members of the group

23 Control

The company is controlled by Mr Ratcliffe who owns 100% of the called up share capital