

Registered number  
01786119

ETTINGTON PARK GROUP LIMITED

Report and Financial Statements

24 November 2016

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**ETTINGTON PARK GROUP LIMITED**  
**Report and Financial Statements**  
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**ETTINGTON PARK GROUP LIMITED**  
**Company Information**

**Directors**

K Arkley  
J Hands

**Secretary**

Jordans Company Secretaries Limited

**Auditor**

BDO LLP  
55 Baker Street  
London  
W1U 7EU

**Registered office**

The Old Library  
The Drive  
Sevenoaks  
Kent  
TN13 3AB

**Registered number**

01786119

## **ETTINGTON PARK GROUP LIMITED**

**Registered number: 01786119**

### **Directors' Report**

The directors present their report and financial statements for the period ended 24 November 2016.

#### **Principal activities**

The company's principal activity during the period continued to be that of the ownership of the Ettington Park Hotel leasehold.

#### **Business review**

The results for the period and financial position of the company are as shown in the annexed financial statements. The directors are optimistic as to the future success of the company.

#### **Dividends**

No dividends were paid during the period ended 24 November 2016 (2015: £Nil). The holders of the redeemable preference shares have waived their rights to dividends.

#### **Directors**

The following persons served as directors during the period:

K Arkley  
J Hands

#### **Directors' responsibilities**

The directors are responsible for preparing the report and 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

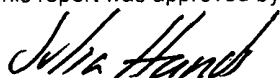
#### **Provision of information to auditor**

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

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

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the board on 25 May 2017 and signed on its behalf.



J Hands  
Director

**ETTINGTON PARK GROUP LIMITED**  
**Independent Auditor's Report**  
**to the members of ETTINGTON PARK GROUP LIMITED**

We have audited the financial statements of Ettington Park Group Limited for the period ended 24 November 2016 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity 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 statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the FRC's website at [www.frc.org.uk/auditscopeukprivate](http://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 24 November 2016 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the directors' report for the financial period 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; or
- the directors were not entitled to prepare the directors' report in accordance with the small companies regime and to the exemption from the requirement to prepare a strategic report.

BDO LLP

Ian Clayden (senior statutory auditor)  
for and on behalf of BDO LLP, statutory auditor  
London

26-5-2017

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

**ETTINGTON PARK GROUP LIMITED**  
**Statement of Comprehensive Income**  
**for the period from 27 November 2015 to 24 November 2016**

	Notes	2016 £	2015 £
Administrative expenses		(85,524)	(85,524)
<b>Operating loss</b>	3	<u>(85,524)</u>	<u>(85,524)</u>
Interest payable	5	(16,786)	(15,980)
<b>Loss on ordinary activities before taxation</b>		<u>(102,310)</u>	<u>(101,504)</u>
Tax on loss on ordinary activities	6	-	-
<b>Loss for the period</b>		<u>(102,310)</u>	<u>(101,504)</u>
<b>Other comprehensive income for the period</b>		-	-
<b>Total comprehensive loss for the period</b>		<u>(102,310)</u>	<u>(101,504)</u>


All amounts relate to continuing operations.

The notes on pages 7 to 14 form part of these financial statements.

**ETTINGTON PARK GROUP LIMITED**  
**Statement of Financial Position**  
**as at 24 November 2016**

	Notes	24 November 2016 £	26 November 2015 £
<b>Fixed assets</b>			
Tangible assets	7	5,283,592	5,368,673
<b>Current assets</b>			
Debtors	8	244,240	244,240
<b>Creditors: amounts falling due within one year</b>	9	(509,686)	(492,457)
<b>Net current liabilities</b>		<u>(265,446)</u>	<u>(248,217)</u>
<b>Total assets less current liabilities</b>		<u>5,018,146</u>	<u>5,120,456</u>
<b>Creditors: amounts falling due after more than one year</b>	10	(316,987)	(316,987)
<b>Net assets</b>		<u>4,701,159</u>	<u>4,803,469</u>
<b>Capital and reserves</b>			
Called up share capital	11	1,563,433	1,563,433
Revaluation reserve	12	2,775,394	2,809,106
Capital contribution reserve	12	83,013	83,013
Profit and loss account	12	279,319	347,917
<b>Total equity</b>		<u>4,701,159</u>	<u>4,803,469</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 May 2017.



J Hands  
Director

The notes on pages 7 to 14 form part of these financial statements.

**ETTINGTON PARK GROUP LIMITED****Statement of Changes in Equity****for the periods from 28 November 2014 to 24 November 2016**

	Share capital	Revaluation reserve	Capital contribution reserve	Profit and loss account	Total equity
	£	£	£	£	£
<b>At 27 November 2015</b>	1,563,433	2,809,106	83,013	347,917	4,803,469
Loss for the period	-	-	-	(102,310)	(102,310)
Reserves transfer	-	(33,712)	-	33,712	-
<b>At 24 November 2016</b>	<u>1,563,433</u>	<u>2,775,394</u>	<u>83,013</u>	<u>279,319</u>	<u>4,701,159</u>
 <b>At 28 November 2014</b>	 1,563,433	 2,842,818	 83,013	 415,709	 4,904,973
Loss for the period	-	-	-	(101,504)	(101,504)
Reserves transfer	-	(33,712)	-	33,712	-
<b>At 26 November 2015</b>	<u>1,563,433</u>	<u>2,809,106</u>	<u>83,013</u>	<u>347,917</u>	<u>4,803,469</u>

The notes on pages 7 to 14 form part of these financial statements.

**ETTINGTON PARK GROUP LIMITED**  
**Notes to the Financial Statements**  
**for the period from 27 November 2015 to 24 November 2016**

**1 Accounting policies**

***General information***

Ettington Park Group Limited is a private limited company incorporated in England & Wales under the Companies Act. The address of the registered office is given on the company information page and the nature of the company's operations and its principal activities are set out in the Directors' Report.

***Basis of preparation***

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

The financial statements for the period ended 24 November 2016 are the company's first financial statements that comply with FRS 102. The date of transition is 28 November 2014.

Information on the impact of first-time adoption of FRS 102 is given in note 15.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 2).

The following principal accounting policies have been applied consistently throughout the preceding and current periods.

***Financial reporting standard 102 - reduced disclosure exemptions***

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Hand Picked Hotels Limited as at 24 November 2016 and these financial statements may be obtained from Companies House.

***Going concern***

The Company reports net current liabilities and losses for the period. The parent company, Hand Picked Hotels Limited, has indicated that it will continue to provide financial support as necessary for the foreseeable future to ensure the Company can meet all liabilities as they fall due. On this basis, and having made appropriate enquiries at the parent company, the directors are satisfied that it is appropriate to prepare these accounts on a going concern basis.

***Interest***

Interest income and expense is recognised in the income statement using the effective interest method.

**ETTINGTON PARK GROUP LIMITED**  
**Notes to the Financial Statements**  
**for the period from 27 November 2015 to 24 November 2016**

**Accounting policies (continued)**

***Tangible fixed assets***

Tangible fixed assets under the cost model are stated at historical or deemed cost less accumulated depreciation and any accumulated impairment losses. Historical or deemed cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the statement of comprehensive income during the period in which they are incurred.

***Depreciation***

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. Depreciation is provided on the following basis:

Leasehold land and buildings	over the period of the lease
Fixtures and fittings	4 to 25 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of comprehensive income.

***Financial liabilities and equity***

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities, excluding convertible debt and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost. Financial liabilities that carry no interest rate and are repayable within one year are measured at an undiscounted amount. Similar amounts repayable after one year are discounted at a market rate for a similar instrument.

***Debtors***

Short term debtors are measured at transaction price, less any impairment. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment.

***Creditors***

Short term creditors are measured at the transaction price. Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

**ETTINGTON PARK GROUP LIMITED**  
**Notes to the Financial Statements**  
**for the period from 27 November 2015 to 24 November 2016**

**Accounting policies (continued)**

***Current and deferred taxation***

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the country where the company operates and generates taxable income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

***Related party transactions***

The company has taken advantage of the exemption under paragraph 33.1A of the Financial Reporting Standard 102 not to disclose transactions with other wholly owned members of the group.

***Investment property***

Investment property whose fair value can be measured reliably without undue cost and effort shall be measured at fair value at each reporting date with changes in fair value recognised in profit or loss. All other investment property is accounted for as property, plant and equipment using the cost model.

## ETTINGTON PARK GROUP LIMITED

### Notes to the Financial Statements

for the period from 27 November 2015 to 24 November 2016

#### 2 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

- Determine whether leases entered into by the company either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the company's fixed assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

Other key sources of estimation uncertainty

- Tangible fixed assets (see note 7)

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

3 Operating loss	2016 £	2015 £
This is stated after charging:		
Depreciation of owned fixed assets	<u>85,081</u>	<u>85,081</u>

The auditor's remuneration for the period ended 24 November 2016 has been borne by another group company.

4 Staff costs	2016 Number	2015 Number
Average number of employees during the period		
Administration	<u>2</u>	<u>2</u>

There were no staff costs for the period ended 24 November 2016 (2015: £nil).

None of the directors received any remuneration for the period (2015: £nil).

**ETTINGTON PARK GROUP LIMITED**

**Notes to the Financial Statements**

**for the period from 27 November 2015 to 24 November 2016**

<b>5</b>	<b>Interest payable</b>	<b>2016</b>	<b>2015</b>
		<b>£</b>	<b>£</b>
	Interest payable	<u>16,786</u>	<u>15,980</u>
<b>6</b>	<b>Taxation</b>	<b>2016</b>	<b>2015</b>
		<b>£</b>	<b>£</b>
	<b><i>Current tax</i></b>		
	UK corporation tax at 20.00% (2015: 20.35%)	-	-
	<b><i>Deferred tax</i></b>		
	Origination and reversal of timing differences	-	-
	Tax on profit on ordinary activities	<u>-</u>	<u>-</u>
	<b><i>Movement in deferred tax provision</i></b>		
	Provision at start of period	-	-
	Deferred tax charged in the statement of comprehensive income for the period	-	-
	Provision at end of period	<u>-</u>	<u>-</u>
	<b><i>Reconciliation of tax charge</i></b>		
	Loss on ordinary activities before tax	(102,310)	(101,504)
	Tax on loss on ordinary activities at standard CT rate	(20,462)	(20,654)
	Effects of:		
	Expenses not deductible for tax purposes	17,016	17,312
	Transfer pricing adjustments	120,000	122,088
	Group relief claimed	(116,554)	(118,746)
	Deferred tax not recognised	(1,287)	-
	Difference in tax rates	<u>1,287</u>	<u>-</u>
	Tax charge for the period	<u>-</u>	<u>-</u>

The company has an unrecognised deferred tax asset of £22,000 (2015: £23,000) in respect of depreciation charged in excess of capital allowances at the end of the period.

**ETTINGTON PARK GROUP LIMITED**  
**Notes to the Financial Statements**  
for the period from 27 November 2015 to 24 November 2016

**7 Tangible fixed assets**

	Short leasehold land and buildings £	Fixtures and fittings £	Total £
<b>Cost</b>			
At 27 November 2015	6,516,235	560,628	7,076,863
At 24 November 2016	6,516,235	560,628	7,076,863
<b>Depreciation</b>			
At 27 November 2015	1,321,893	386,297	1,708,190
Charge for the period	62,656	22,425	85,081
At 24 November 2016	1,384,549	408,722	1,793,271
<b>Carrying amount</b>			
At 24 November 2016	5,131,686	151,906	5,283,592
At 26 November 2015	5,194,342	174,331	5,368,673

Leasehold land and buildings are included at open market valuation at November 1999 by Weatherall Green & Smith Chartered Surveyors. It is not intended that the land and buildings will be subject to further periodic valuations.

If leasehold land and buildings had not been revalued they would have been included at the following historical cost:

	2016 £	2015 £
Cost	3,014,947	3,014,947
Aggregate depreciation	658,655	629,711

<b>8 Debtors</b>	2016 £	2015 £
Amounts due from immediate parent undertaking	243,895	243,895
Prepayments and accrued income	345	345
	244,240	244,240
<b>9 Creditors: amounts falling due within one year</b>	2016 £	2015 £
Cumulative redeemable non-participating preference shares of £1 each (note 10)	100,000	100,000
Amounts due to intermediate parent undertaking	359,686	342,457
Accruals and deferred income	50,000	50,000
	509,686	492,457

**ETTINGTON PARK GROUP LIMITED****Notes to the Financial Statements****for the period from 27 November 2015 to 24 November 2016**

<b>10 Creditors: amounts falling due after one year</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>

Cumulative redeemable non-participating  
preference shares of £1 each

<u>316,987</u>	<u>316,987</u>
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The preference shares carry dividend rights at 10%. The holder of the preference shares has waived its right to dividends. The preference shares are redeemable at par at the option of either the company or the shareholder subject to certain conditions and repayable in 5 annual instalments commencing 31 December following notice of redemption.

<b>11 Share capital</b>	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>Number</b>	<b>Number</b>	<b>£</b>	<b>£</b>
Allotted, called up and fully paid:				
Ordinary shares of £1 each	1,063,433	1,063,433	1,063,433	1,063,433
B Ordinary shares of 75p each	666,666	666,666	500,000	500,000
			<u>1,563,433</u>	<u>1,563,433</u>

The preference shares are non-voting, the A and B shares attract one vote per share held. On return of capital the assets of the company shall first be applied in repaying the preference shares, then the amounts paid up on ordinary shares then finally the balance among the A and B shareholders on the basis of £1 for each share held.

**12 Reserves**

Profit & loss account

This is cumulative profits or losses, net of dividends paid and other adjustments.

Revaluation reserve

This reserve represents the excess valuation of land and buildings above cost.

Capital contribution reserve

The capital contribution reserve comprises discounting adjustments to redeemable preference shares.

**13 Contingent liabilities**

The company has granted fixed and floating charges over its assets in respect of group borrowing facilities. The amount owed by the Hand Picked Hotels Limited group as at 24 November 2016 was £80,000,000 (2015: £80,000,000).

## ETTINGTON PARK GROUP LIMITED

### Notes to the Financial Statements

for the period from 27 November 2015 to 24 November 2016

#### 14 Ultimate parent company and controlling party

The company's ultimate parent undertaking is Alscot Sarl, which is incorporated in Luxembourg. The company's immediate parent is Wy (Ettington Park) Limited. The largest and smallest group in whose financial statements the results of the company will be consolidated is Hand Picked Hotels Limited, the company's intermediate parent undertaking. The consolidated financial statements of Hand Picked Hotels Limited will be available to the public and will be obtainable in due course from the Registrar of Companies, Companies House, Crown Way, Cardiff.

The ultimate controlling party is Mr G Hands.

#### 15 Reconciliations on adoption of FRS 102

The company transitioned to FRS 102 from previously extant UK GAAP as at 28 November 2014. The impact of the transition to FRS 102 is as follows:

<b>Profit and loss for the year ended 26 November 2015</b>	<b>£</b>
Loss under former UK GAAP	(101,504)
Loss under FRS 102	<u>(101,504)</u>
<b>Balance sheet at 26 November 2015</b>	<b>£</b>
Equity under former UK GAAP	4,720,456
Fair value discount on redeemable preference shares (1)	83,013
Equity under FRS 102	<u>4,803,469</u>
<b>Balance sheet at 28 November 2014</b>	<b>£</b>
Equity under former UK GAAP	4,821,960
Fair value discount on redeemable preference shares (1)	83,013
Equity under FRS 102	<u>4,904,973</u>

Prior to the adoption of FRS 102, the company did not recognise preference shares at fair value. This is required under FRS 102 therefore this has been retrospectively applied.

(1) As per the articles, the preference shares may be recalled at the holders' choice however once triggered, the repayment is made in 5 annual tranches. This is a 367 rolling loan with no set repayment date therefore adjustments are required on transition and interest is only charged once repayments begin and the interest crystallises. By discounting the preference shares by 10%, which is a rate in line with the original interest rate on the preference shares, the portion of it that relates to equity is £83,013.