

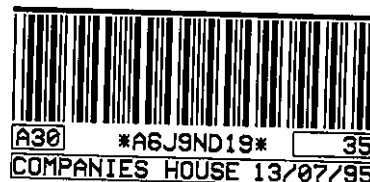
Audley Group Limited

(formerly known as The Dorchester Limited)

Registered Number 01823605

Directors' report and financial statements
for the year ended 31 December 1994

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Audley Group Limited

(formerly known as The Dorchester Limited)

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 1994.

Change of Name

On 7th March 1995, the company changed its name from The Dorchester Limited to Audley Group Limited.

Principal activities

During the year, the group continued to own and manage The Dorchester Hotel, Park Lane, London. On 8th March 1995, the company acquired from a related company 100% interest in companies which own The Beverley Hills Hotel in Los Angeles and two commercial properties in the United States of America (for further details see note 23).

Increase in share capital

During the year, the authorised share capital of the company was increased from £57,000,000 to £200,000,000. The company issued for cash consideration a further 82,009,412 ordinary shares of £1 each fully paid for the purpose of making loans to its US subsidiaries.

Business review

The consolidated profit on ordinary activities after taxation is £6.4m (1993 loss: £0.1m before waiver of interest). The directors consider the results for the year to be satisfactory.

Proposed dividend and transfer to reserves

The directors do not recommend the payment of a dividend (1993: £ nil). The retained profit of £6,401,611 (1993: £11,491,352) was transferred to reserves.

Significant changes in fixed assets

The movement in tangible fixed assets is outlined in note 9 to the financial statements.

Market value of land and buildings

In the opinion of the directors, the market value of the land and buildings of the company exceeds the book values of these assets. A tax liability could arise if the freehold property were disposed of at the book values. However, since there is no intention to dispose of the property, a provision has not been made in the accounts for this potential tax liability.

Directors and directors' interests

The details of the directors of the company who have served during the year are as follows:

Current directors:

Haji Abdul Aziz bin Abdul Rahman (Chairman)

Haji Awang Kassim

Mohamad Arbi Haji Abdul Hamid

(appointed 15 December 1994)

Awang Haji Shukri, bin Haji Abang Taha

Pengiran Airudin bin Pengiran Haji Mohamad

Haji Ghani Abdul Hamid

(appointed 15 December 1994)

Suriati Haji Mohamad Taib

(appointed 15 December 1994)

Anil Tanna

(appointed 15 December 1994)

Riccardo Obertelli

(appointed 15 December 1994)

Audley Group Limited

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Directors and directors' interests (*continued*)

The directors do not have any beneficial interests in the share capital of the company.

According to the register of directors' interests, no rights to subscribe for shares in or debentures of the company or any other group company were granted to any of the directors or their immediate families, or exercised by them, during the financial year.

Employees

It is the hotel's continuing policy and practice to involve staff by providing and receiving information relevant to the progress, development and performance of the company. Matters of concern to staff as employees were communicated through briefing by executives and heads of departments, a newsletter and training courses. Consultation with staff on matters affecting their interests and the general efficiency of the group took place in various ways; one of these was through the elected staff representatives on a consultative committee which met regularly during the year.

In relation to the employment of disabled persons, the hotel's policy is to give the same consideration to disabled people as to other people, in regard to applications for employment, continuation of employment, training, career development and promotion, having regard to their particular aptitudes and abilities.

Political and charitable contributions

During the year, the group donated £350 (1993: £1,569) for charitable purposes. There were no political donations.

Liability insurance

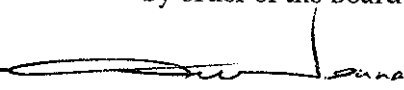
During the year, the company did not maintain any liability insurance for its directors or officers.

Auditors

On 6 February 1995, our auditors changed the name under which they practise to KPMG and, accordingly, have signed their report in their new name.

Persuant to a shareholders' resolution, the company is no longer obliged to reappoint its auditors annually and KPMG will therefore continue in office.

By order of the Board


A Tanna
Secretary

53 Park Lane
London W1A 2HJ
Date: 22nd May 1995

Audley Group Limited

(formerly known as The Dorchester Limited)

Statement of directors' responsibilities

The directors are required by UK company law to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and group and of the profit or loss for that period. In preparing those financial statements, 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 financial statements.;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for maintaining 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 financial statements comply with the Companies Act 1985. In addition, the directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

Audley Group Limited

(formerly known as The Dorchester Limited)

Report of the auditors KPMG to the members of Audley Group Limited

We have audited the financial statements on pages 5 to 17.

Respective responsibilities of directors and auditors

As described on page 3, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

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 financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group'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 financial statements 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 financial statements.

Opinion

In our opinion, the financial statements give a true and fair view of the state of affairs of the company and the group as at 31 December 1994 and of the profit for the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG

KPMG
Chartered Accountants
Registered Auditors

London
Date: 24th May, 1995

Audley Group Limited
(formerly known as The Dorchester Limited)

Consolidated profit and loss account
for the year ended 31 December 1994

	Note	1994 £	1993 £
Continuing Operations			
Turnover		33,687,699	28,851,301
Cost of sales		(17,111,687)	(15,905,675)
<hr/>			
Gross profit		16,576,012	12,945,626
Operating Expenses - Rebate of rates	8	1,468,297	
- Other		(9,582,119)	(9,903,012)
<hr/>			
Operating profit		8,462,190	3,042,614
Interest receivable and similar income	5	610,189	72,064
Interest payable and similar charges	6	(2,670,768)	(3,221,174)
Waiver of interest	19	-	11,597,848
<hr/>			
Profit on ordinary activities before taxation	2	6,401,611	11,491,352
Tax on profit on ordinary activities	7	-	-
<hr/>			
Retained profit for the financial year		6,401,611	11,491,352
Retained loss brought forward		(33,476,996)	(44,968,348)
<hr/>			
Retained loss carried forward		(27,075,385)	(33,476,996)
<hr/>			

Statement of Total recognised Gains and Losses

A statement of recognised gains and losses is not required as all recognised gains and losses incurred during the year are shown in the profit and loss account.

There has been no movement in shareholders' funds other than profit for the financial year.

Audley Group Limited

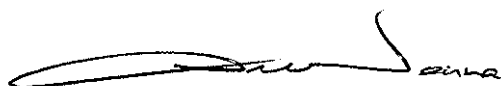
(formerly known as The Dorchester Limited)

Consolidated balance sheet at 31 December 1994

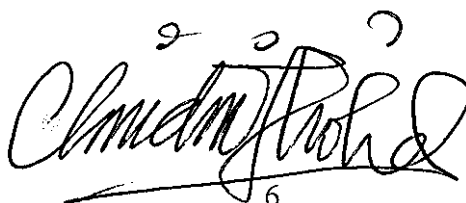
	Note	£	1994 £	£	1993 £
Fixed assets					
Tangible assets	9		147,778,725		149,380,305
Investments	10		193		193
			<u>147,778,918</u>		<u>149,380,498</u>
Current assets					
Stocks	11	1,769,120		1,885,457	
Debtors	12	86,919,874		3,228,180	
Cash at bank and in hand		1,152,728		1,879,025	
		<u>89,841,722</u>		<u>6,992,662</u>	
Creditors: amounts falling due within one year	13	(3,812,661)		(9,539,920)	
		<u></u>		<u></u>	
Net current assets/(liabilities)			86,029,061		(2,547,258)
			<u></u>		<u></u>
Total assets less current liabilities			233,807,979		146,833,240
Creditors: amounts falling due after more than one year	14		(140,358,452)		(141,981,236)
Provision for liabilities and similar charges	17		(515,500)		(329,000)
			<u></u>		<u></u>
Net assets			92,934,027		4,523,004
			<u>=====</u>		<u>=====</u>
Capital and reserves					
Called up share capital	15		120,009,412		38,000,000
Profit and loss account			(27,075,385)		(33,476,996)
			<u>92,934,027</u>		<u>4,523,004</u>
			<u>=====</u>		<u>=====</u>

These financial statements were approved by the board of directors on 22nd May 1995 and were signed on its behalf by:

A Tanna
Director



Pg Airudin bin Pg Hj Mohamad
Director



Audley Group Limited

(formerly known as The Dorchester Limited)

Balance sheet at 31 December 1994

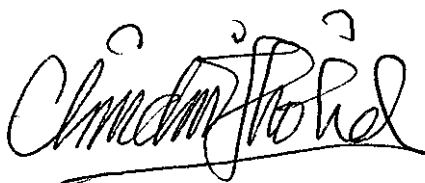
	Note	£	1994 £	£	1993 £
Fixed assets					
Investments	10		45,138,920		45,138,920
Current assets					
Debtors	12	82,292,857		1,748	
Cash at bank and in hand		54,161		52,272	
			<u>82,347,018</u>	<u>54,020</u>	
Creditors: amounts falling due within one year	13	(1,095,886)		(1,080,886)	
Net current assets/(liabilities)			<u>81,251,132</u>		<u>(1,026,866)</u>
Total assets less current liabilities			126,390,052		44,112,054
Creditors: amounts falling due after more than one year	14		(8,336,743)		(8,336,743)
Net assets			<u>118,053,309</u> =====		<u>35,775,311</u> =====
Capital and reserves					
Called up share capital	15		120,009,412		38,000,000
Profit and loss account			(1,956,103)		(2,224,689)
			<u>118,053,309</u> =====		<u>35,775,311</u> =====

These financial statements were approved by the board of directors on 22nd May 1995 and were signed on its behalf by:

A Tanna
Director



Pg Airudin bin Pg Hj Mohamad
Director



Audley Group Limited
(formerly known as The Dorchester Limited)

Consolidated cash flow statement
for the year ended 31 December 1994

	Note	1994	1993
		£	£
Net cash inflow from operating activities	20	10,017,463	5,708,909
Return on investments and servicing of finance			
Interest received	328,492	72,064	
Interest paid	(596,375)	(537,268)	
Net cash outflow from returns on investments and servicing of finance		(267,883)	(465,204)
Investing activities			
Payments to acquire tangible fixed assets	(871,377)	(4,057,647)	
Sales of tangible fixed assets	45,500	30,540	
Loans to fellow subsidiaries	(82,009,412)	-	
Net cash outflow from investing activities		(82,835,289)	(4,027,107)
Net cash (outflow)/inflow before financing		(73,085,709)	1,216,598
Financing			
Repayments of Loan	(3,650,000)	-	
Proceeds of ordinary share issue	82,009,412	-	
Increase in cash and cash equivalents	21	5,273,703	1,216,598

Audley Group Limited

(formerly known as The Dorchester Limited)

Notes

(forming part of the financial statements)

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the group's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules modified to include the revaluation of certain assets.

Fixed asset and depreciation

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Leasehold land and buildings	-	life of lease
Plant and machinery	-	10 to 20% per annum
Motor vehicles	-	25% per annum

No depreciation is provided on freehold land or buildings. It is the group's policy to maintain these assets in a continual state of sound repair and to make improvements thereto from time to time. Accordingly, the directors consider that the lives of these assets are so long and residual values at the time of acquisition so high that their depreciation is insignificant. Provision is made for any diminution in value of fixed assets to the extent that it is considered permanent.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Pension costs

The group operates two pension schemes, one providing benefits based on final pensionable pay and the other based on the contributions made to the scheme. The assets of both schemes are held separately from those of the company in independently administered funds. Contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the group.

Stocks

Stocks are stated at the lower of cost and net realisable value. In determining the cost of raw materials, consumables and goods purchased for resale, the weighted average purchase price is used.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to customers during the year. All the group's turnover on ordinary activities is derived from the operation of the Dorchester Hotel, London, and therefore arose in the United Kingdom.

Audley Group Limited

(formerly known as The Dorchester Limited)

Notes (continued)

2. Profit on ordinary activities before taxation

	1994 £	1993 £
<i>Profit on ordinary activities before taxation is stated</i>		
<i>after charging</i>		
Auditors' remuneration		
Audit	27,000	26,000
Other services	34,260	8,455
Depreciation and other amounts written off tangible fixed assets	2,449,388	2,387,187
<i>after crediting</i>		
Refund of rates	1,468,297	-
Rents receivable from property	55,833	113,370
Exchange gain/(losses)	47,177	(27,090)

The consolidated result for the financial year includes a profit of £268,586 (1993: £1,005) dealt with in the accounts of the company. In accordance with the exemption conferred by section 230 of the Companies Act 1985, the company has not published its own profit and loss account.

3. Remuneration of directors

	1994 £	1993 £
Directors' emoluments:		
Remuneration as executives	233,043	-
Pension contributions by company	29,875	-
	<u>262,918</u>	<u>-</u>
	=====	=====

The emoluments, excluding pension contributions, of the chairman and highest paid director were as follows:

	1994 £	1993 £
Chairman	-	-
Highest paid director	120,494	-

The emoluments, excluding pension contributions, of the directors (including the chairman and highest paid director) were within the following ranges:

	Number of Directors	
	1994	1993
£ Nil	6	5
£110,001-£115,000	1	-
£115,001 - £120,000	-	-
£120,001 - £125,000	1	-
	<u>8</u>	<u>5</u>
	=====	=====

Audley Group Limited

(formerly known as The Dorchester Limited)

Notes (continued)

4. Staff numbers and costs

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

	Number of Employees	
	1994	1993
Operations	508	514
Sales and Marketing	9	9
Administration	55	55
	<u>572</u>	<u>578</u>
	=====	=====

The aggregate payroll costs of the group were as follows:

	1994	1993
	£	£
Wages and salaries	10,004,029	9,575,132
Social security costs	1,006,461	954,731
Other pension costs (see note 17)	272,404	248,897
	<u>11,282,894</u>	<u>10,778,760</u>
	=====	=====

5. Interest receivable and similar income

	1994	1993
	£	£
On bank deposits	109,324	72,064
From group undertakings	281,697	-
Other	219,168	-
	<u>610,189</u>	<u>72,064</u>
	=====	=====

6. Interest payable and similar charges

	1994	1993
	£	£
On bank loans, overdrafts and other loans wholly repayable within five years	196,375	537,268
To group undertakings	2,474,393	2,683,906
	<u>2,670,768</u>	<u>3,221,174</u>
	=====	=====

7. Taxation

A corporation tax provision is not required (1993:£nil) due to the availability of tax losses. There is no potential liability on a full deferred tax basis due to the availability of tax losses.

8. Exceptional item

During the year, negotiations entered into with the City of Westminster concerning the hotel's rateable value were successfully resolved. As a result, a refund of rates relating to prior years to the value of £1,468,297 was received.

Audley Group Limited

(formerly known as The Dorchester Limited)

Notes (continued)

9. Tangible fixed assets

<u>Group</u>	Land and buildings £	Plant and machinery fixtures and fittings, tools and equipment £	Total £
Cost			
At beginning of year	141,303,534	15,830,719	157,134,253
Additions	144,228	727,149	871,377
Disposals	-	(81,870)	(81,870)
At end of year	<u>141,447,762</u>	<u>16,475,998</u>	<u>157,923,760</u>
Depreciation and diminution in value			
At beginning of year	12,343	7,741,605	7,753,948
Charge for year	2,845	2,446,543	2,449,388
On Disposals	-	(58,301)	(58,301)
At end of year	<u>15,188</u>	<u>10,129,847</u>	<u>10,145,035</u>
Net book value			
At 31 December 1994	<u>141,432,574</u>	<u>6,346,151</u>	<u>147,778,725</u>
At 31 December 1993	<u>141,291,191</u> =====	<u>8,089,114</u> =====	<u>149,380,305</u> =====

The net book value of land and buildings comprises:

	1994 £	1993 £
Freehold	141,255,252	141,111,024
Long leasehold	177,322	180,167
	<u>141,432,574</u> =====	<u>141,291,191</u> =====

10. Fixed asset investments

	1994 £	1993 £
<i>Group</i>		
Investment in unquoted shares at cost	193	193
	=====	=====
<i>Company</i>		
Investment in subsidiary undertaking at cost	45,138,920	45,138,920
	=====	=====

Audley Group Limited

(formerly known as The Dorchester Limited)

Notes (continued)

10. Fixed asset investments (continued)

The companies in which the company's interest is more than 10% are as follows:

	Principal activity	Class and percentage of shares held
<i>Subsidiary undertakings</i>		
Dorchester Hotel Limited	Hotel	Ordinary 100%
Pageguide Limited (now known as The Dorchester Limited)	Not trading	Ordinary 100%
Dorchester Jewellers Limited	Not trading	Preference 100%
New London Dorchester Jewellers Limited	Not trading	Ordinary 100%
		Ordinary 100%

All the above companies are incorporated in the United Kingdom and registered in England and Wales. The shares of Dorchester Hotel Limited are held directly by the company. The shares of the remaining subsidiaries are held by Dorchester Hotel Limited.

In the opinion of the directors the investments in the company's subsidiary undertakings are worth at least the amounts at which they are stated in the balance sheet.

11. Stocks

	1994 £	1993 £
<i>Group</i>		
Consumables	1,347,710	1,437,683
Goods for resale	421,410	447,774
	<u>1,769,120</u>	<u>1,885,457</u>
	=====	=====

There is no material difference between the replacement cost of stocks and their balance sheet amounts.

12. Debtors

	1994 £	1993 £
<i>Group</i>		
Trade debtors	4,115,285	2,887,237
Loans to fellow subsidiary undertakings at floating rates	82,009,412	-
Interest receivable on group loans	281,697	-
Other debtors	133,341	92,833
Prepayments and accrued income	380,139	248,110
	<u>86,919,874</u>	<u>3,228,180</u>
	=====	=====

Audley Group Limited

(formerly known as The Dorchester Limited)

Notes (continued)

12. Debtors (continued)

<i>Company</i>	1994 £	1993 £
Loans to fellow subsidiary undertakings at floating rates	82,009,412	-
Interest receivable on group loans	281,697	-
Other debtors	1,748	1,748
	<u>82,292,857</u>	<u>1,748</u>
	=====	=====

13. Creditors: Amounts falling due within one year

<i>Group</i>	1994 £	1993 £
Bank overdraft	-	6,000,000
Trade creditors	1,103,322	1,610,847
Taxation and social security	1,550,519	1,103,793
Accruals and deferred income	1,158,820	825,280
	<u>3,812,661</u>	<u>9,539,920</u>
	=====	=====
<i>Company</i>	1994 £	1993 £
Amounts owed to subsidiary undertakings	1,080,886	1,080,886
Accruals and deferred income	15,000	-
	<u>1,095,886</u>	<u>1,080,886</u>
	=====	=====

14. Creditors: amounts falling due after more than one year

<i>Group</i>	1994 £	1993 £
Loan from parent undertaking. The loan is unsecured, subordinated, interest free and not repayable before 2014	34,400,000	83,386,743
Loans from fellow subsidiary undertakings. The loans are unsecured, subordinated and not repayable before 1999 and 2014		
- interest free	45,336,743	-
- at floating rates	37,553,163	37,589,356
Accrued interest	23,068,546	21,005,137
	<u>140,358,452</u>	<u>141,981,236</u>
	=====	=====

Audley Group Limited

(formerly known as The Dorchester Limited)

Notes (continued)

14. Creditors: amounts falling due after more than one year (continued)

Company

	1994 £	1993 £
Loan from fellow subsidiary undertaking. The loan is unsecured, subordinated, interest free and not repayable before 2014.	8,336,743 =====	8,336,743 =====

15. Called up share capital

	1994 £	1993 £
<i>Authorised</i>		
Ordinary shares of £1 each	200,000,000 =====	57,000,000 =====
<i>Allotted, called up and fully paid</i>		
Ordinary shares of £1 each	120,009,412 =====	38,000,000 =====

During the year, the company issued, for cash consideration, a further 82,009,412 ordinary shares of £1 each fully paid for the purpose of making loans to its US subsidiaries.

16. Commitments

Group

Capital commitments at the end of the financial year for which no provision has been made.

	1994 £	1993 £
Contracted	34,587	389,047
Authorised but not contracted	842,578	633,113
	877,165 =====	1,022,160 =====

17. Pension scheme

The company operates two pension schemes, a defined contribution scheme and a defined benefit scheme. The assets of the schemes are held separately from those of the company in independently administered funds.

The defined benefit scheme provides benefits based on final pensionable pay. Contributions made by the company are being charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the company. The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method. The principal assumptions applied in the valuation calculation are those relating to the rate of return on investments and the rates of increase in salaries and pensions. It was assumed that the investment returns would exceed the average salary increases by 1% per annum compound and future pensions would increase at the rate of 3% per annum compound.

Audley Group Limited

(formerly known as The Dorchester Limited)

Notes (continued)

17. Pension scheme (continued)

The most recent actuarial valuation at 6 April 1994 showed that the market value of the defined benefit scheme's assets was £5.8m and that the actuarial value of those assets represented 124% of the benefits that had accrued to members, after allowing for expected future increases in earnings. As a result of the previous valuation as at 6th April 1991, certain benefits of members were improved and contributions from the company have been temporarily suspended. Contributions from employees remained at 4% of earnings. The combined pension charge for the period was £272,404 (1993: £248,897). A provision of £515,500 (1993: £329,000) is included in Provision for liabilities and similar charges, this being the excess of the accumulated pension cost over the amount funded.

18. Related party transactions

The group occupies a building owned by a fellow subsidiary undertaking, on an annually renewable agreement at a rent of £ nil (1993: £Nil). It is estimated that the market rent of the building occupied is £113,000 (1993: £113,000). All other material related party transactions are contracted on commercial terms.

19. Waiver of interest

During 1993, the directors approved a restructuring of shareholders' equity. Interest on loans from a fellow subsidiary undertaking accrued during the closure of the hotel for refurbishment during 1989 and 1990 has been forgiven. The interest during the period amounted to £11,597,848 and was credited to the profit and loss account during 1993.

20. Reconciliation of operating profit to net cash inflow from operating activities

	1994 £	1993 £
Operating profit	8,462,190	3,042,612
Depreciation charge	2,449,388	2,387,187
Loss/(Profit) on sale of tangible fixed assets	(21,931)	166
Decrease/(increase) in stocks	116,337	(55,047)
(Increase)/decrease in debtors	(1,400,585)	433,612
Decrease/(increase) in creditors	459,241	(126,711)
Exchange (gain)/loss	(47,177)	27,090
Net cash inflow from operating activities	<u>10,017,463</u> =====	<u>5,708,909</u> =====

21. Analysis of changes in cash and cash equivalents

	Cash £	Overdraft £	Net £
Balance at 31 December 1992	1,403,881	(6,741,454)	(5,337,573)
Net cash inflow	475,144	741,454	1,216,598
Balance at 31 December 1993	<u>1,879,025</u>	<u>(6,000,000)</u>	<u>(4,120,975)</u>
Net cash inflow/(outflow)	(726,297)	6,000,000	5,273,703
Balance at 31 December 1994	<u>1,152,728</u> =====	<u>-</u> =====	<u>1,152,728</u> =====

Audley Group Limited

(formerly known as The Dorchester Limited)

Notes (continued)

22. Analysis of changes in financing during the year

	Share capital £	Long term loans £
Balance at 31 December 1992	38,000,000	150,868,091
Accrued interest	-	2,683,903
Exchange loss	-	27,090
Waiver of interest	-	(11,597,848)
Balance at 31 December 1993	38,000,000	141,981,236
Repayment of loan	-	(3,650,000)
Accrued interest	-	2,074,393
Exchange gain	-	(47,177)
Proceeds from ordinary share issue	82,009,412	-
Balance at 31 December 1994	120,009,412	140,358,452
	=====	=====

23. Post balance sheet events

On 7th March 1995, the company changed its name to Audley Group Limited.

On 8th March 1995, the company acquired from a related company 100% interest in companies which own the Beverley Hills Hotel, Los Angeles, and two commercial properties in the United States of America.

The US companies' audited net assets at 31 December 1994 were £196m. Before any fair value adjustments that may be required but after estimated adjustments to reflect UK accounting principles, the net tangible assets were £157m.

24. Ultimate parent company and parent undertaking of which the company is a member

The company is a subsidiary undertaking of the Brunei Investment Agency, a statutory body incorporated in Brunei.

The largest and the smallest group in which the results of the company are consolidated is that headed by Audley Group Limited, a company registered in England and Wales. The consolidated accounts of Audley Group Limited are available to the public and may be obtained from the Registrar of Companies, Department of Trade and Industry, Companies House, Crown Way, Maindy, Cardiff CF4 3UZ.