

# The Berkeley Hotel Limited

Directors' report and  
financial statements

For the year ended 31 December 2011

*Registered number 3669260*

WEDNESDAY



\*L11A5R0J\*

LD6

26/09/2012

#113

COMPANIES HOUSE

# The Berkeley Hotel Limited

## Directors' report and financial statements

<i>Contents</i>	<i>Page</i>
Directors and other information	1
Directors' report	2
Statement of directors' responsibilities	4
Independent auditor's report	5
Statement of accounting policies	7
Profit and loss account	9
Balance sheet	10
Notes forming part of the financial statements	11

# The Berkeley Hotel Limited

## Directors and other information

<b>Directors</b>	Stephen Alden Carole Walker
<b>Secretary</b>	Carole Walker
<b>Registered office</b>	30 Old Burlington Street Mayfair London W1S 3AR
<b>Bankers</b>	Allied Irish Bank (GB) City Office 9 – 10 Angel Court London EC2R 7AB
<b>Auditors</b>	KPMG Chartered Accountants 1 Stokes Place St Stephen's Green Dublin 2
<b>Solicitors</b>	DLA 3 Noble Street London EC2V 7EE

# The Berkeley Hotel Limited

## Directors' report

The directors present their report and the audited financial statements for the year ended 31 December 2011

### Activities

The principal activity of the company is the ownership and operation of The Berkeley Hotel

### Review of developments and future prospects

The profit for the year ended 31 December 2011 before taxation was £13.1 million (*18 month period ended 31 December 2010 £19.1 million*). The profit and loss account is shown on page 9.

The directors expect that the present activity level will be sustained for the foreseeable future.

### Business review

The company's occupancy was 83% during the 12 month period ended 31 December 2011 (*18 month period ended 31 December 2010 82%*). Revenue per available room (RevPar) for the company increased by £28 to £387 a growth of 7.8% (*18 month period ended 31 December 2010 £359*). The key risk facing the company's performance for 2012 is a downturn in the global economy.

### Dividends

During the period no dividends have been paid or proposed (*18 month period ended 31 December 2010 Nil*).

### Directors and their interests

The directors who held office during the period were as follows:

Stephen Alden	
Mark Hennebry	Resigned 29 November 2011
Carole Walker	Appointed 2 December 2011

The directors and secretary do not hold any material interests in the shares of the company or any other company in the group.

### Employees

The company's policy is to give full and fair consideration to the recruitment of disabled persons having regard to their particular aptitudes and abilities. Appropriate training will be arranged for disabled persons. The company's personnel policies ensure that all its employees are made aware, on a regular basis, of the company's policies, programmes and progress.

# The Berkeley Hotel Limited

## Directors' report *(continued)*

### **Creditor payment policy**

The payment policy of the company is to pay all purchases within thirty days of the end of the month  
The payment policy applies to all payments to creditors/suppliers for revenue and capital supplies of goods and services without exception

### **Disclosure of information to auditors**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

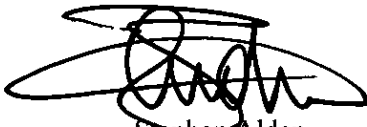
### **Political and charitable contributions**

The company made no political contributions during the period and no donations to charities

### **Auditors**

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be re-appointed and KPMG will therefore continue in office

Approved by the board of directors and signed on behalf of the Board



Stephen Alden  
Director

12 September 2012

# The Berkeley Hotel Limited

## Statement of directors' responsibilities in respect of the directors' report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

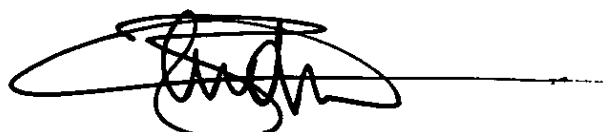
Company law requires the directors to prepare financial statements for each financial period. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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 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 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities

On behalf of the board

A handwritten signature in black ink, appearing to be 'Stephen Alden', with a long horizontal line extending to the right.

Stephen Alden  
Director

12 September 2012

## **Independent auditor's report to the members of The Berkeley Hotel Limited**

We have audited the financial statements of The Berkeley Hotel Limited for the year ended 31 December 2011 which comprise the profit and loss account, balance sheet and related notes. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 Directors' Responsibilities Statement set out on page 4, 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**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm)

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

## Independent auditor's report to the members of The Berkeley Hotel Limited (continued)

### **Emphasis of matter – going concern**

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in Note 1 to the financial statements about the preparation of the financial statements on a going concern basis. As outlined in Note 1 borrowings of the company's parent, Coroin Ltd, and other group companies, are secured by a fixed and floating charge over the assets of the company. The parent company is currently in discussions with a number of financial institutions with a view to putting in place alternate financing facilities as its existing facilities are due for refinancing on 28 September 2012. Prior to putting in place alternate facilities additional equity may be required from parent company shareholders. The directors are confident that equity will be available from these shareholders if required and that refinancing discussions will be satisfactorily concluded. On this basis the directors are satisfied that the financial statements should be prepared on the going concern basis.

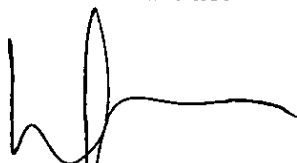
### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the directors' report 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



*Laura Gallagher (Senior Statutory Auditor)  
For and on behalf of KPMG, Statutory Auditor  
Chartered Accountants  
Stokes Place  
St. Stephens Green  
Dublin 2  
Ireland*

13 September 2012



# The Berkeley Hotel Limited

## Statement of accounting policies

*for the year ended 31 December 2011*

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

### **Basis of preparation and going concern**

The financial statements are prepared in Sterling in accordance with generally accepted accounting principles under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board

The financial statements have been prepared on a going concern basis. See Note 1 to the financial statements for further information

### **Cash flow statement**

The company's ultimate parent undertaking publishes financial statements which are publicly available. Those financial statements include a consolidated cash flow statement. For this reason the exemption requirements of FRS 1 (Revised) "Cash Flow Statements" are met and the company has therefore not prepared a cash flow statement

### **Group accounts**

The company is exempt from the obligation to prepare consolidated accounts by virtue of Section 400 of the Companies Act 2006 in that it is a wholly owned subsidiary of its ultimate parent and controlling undertaking which itself prepares group accounts which are publicly available. These financial statements are therefore entity financial statements and are not consolidated financial statements

### **Turnover**

Turnover represents income from hotel and restaurant operations, excludes value added tax and is recognised on provision of the related service. Turnover is derived solely from UK operations

### **Capitalisation of interest**

Interest attributable to progress payments made on construction work-in-progress is capitalised and included in the cost of fixed assets. Interest is calculated by reference to specific borrowings where applicable or calculated at the weighted average interest rate for the pool of borrowings funding that particular project. Capitalisation of interest ceases when substantially all the activities that are necessary to bring the tangible fixed asset into use are complete

### **Stocks**

Stocks are valued at the lower of cost and net realisable value

### **Tangible fixed assets**

Tangible fixed assets are held at cost. Expenditure on development of the company's hotel and restaurants, including major replacement and improvement of assets, is disclosed as land and buildings, plant, machinery, fixtures and fittings. Land and buildings includes the costs associated with structural improvements to long-term leasehold properties. The cost of replacement of glass and china and certain other loose equipment of hotels and restaurants is charged to the profit and loss account in the year in which it is incurred

# The Berkeley Hotel Limited

## Statement of accounting policies *(continued)* *for the period ended 31 December 2011*

### **Depreciation**

Depreciation is not charged on freehold property as the group, of which this company is a member, has a policy and practice of disposing of assets well before the end of their economic lives and the disposal proceeds of similar assets have not been materially less than their carrying amounts

As a result, on an annual basis the group estimates the recoverable amount of its hotel properties based on the higher of their net realisable values or the present values of future cash flows expected to result from their use. Where the recoverable amount is less than the carrying amount of the hotel properties the group recognises an impairment loss in the profit and loss account

Other fixed assets are stated at cost less accumulated depreciation. No depreciation is charged on archive materials however as they are maintained in good condition and they are expected to have a high residual value

Depreciation of other tangible assets is provided on a straight-line basis over the following useful lives

Plant and machinery	between 4 and 20 years
Fixtures and fittings	between 5 and 20 years

### **Deferred taxation**

Deferred taxation is provided in full on an undiscounted basis on timing differences that result in an obligation to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law and on an undiscounted basis. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered

### **Leasing**

Rentals under operating leases are charged to the profit and loss account over the terms of the leases

### **Pension and other post retirement benefits**

The company is a participating member of a larger group defined benefit pension scheme, the Maybourne Hotels Group Pension and Life Insurance Scheme, providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the company. The company is unable to identify its share of the scheme assets and liabilities on a consistent and reasonable basis and therefore, as permitted by FRS 17 'Retirement benefits', the scheme has been accounted for in these financial statements, as if the scheme was a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period

# The Berkeley Hotel Limited

Registered number 3669260

## Profit and loss account

for the period ended 31 December 2011

		Year ended 31 December 2011 £'000	18 month period ended 31 December 2010 £'000
	Note		
<b>Turnover</b>	2	45,137	62,534
Cost of sales		(12,851)	(17,486)
		<hr/>	<hr/>
<b>Gross profit</b>		32,286	45,048
Administrative expenses		(19,236)	(25,960)
		<hr/>	<hr/>
<b>Profit on ordinary activities before taxation</b>	4	13,050	19,088
Tax credit/(charge) on profit on ordinary activities	5	1,355	(228)
		<hr/>	<hr/>
<b>Profit for the financial year/period</b>	13/14	14,405	18,860
		<hr/>	<hr/>

The company had no recognised gains or losses in the financial period or in the preceding financial year other than those dealt with in the profit and loss account. All activities in the current and preceding periods are derived from continuing operations.

# The Berkeley Hotel Limited

Registered number 3669260

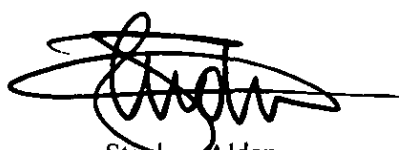
## Balance sheet

at 31 December 2011

		2011 £'000	2010 £'000
<b>Fixed assets</b>			
Tangible assets	6	164,423	164,440
Financial assets	7	6	6
		<u>164,429</u>	<u>164,446</u>
<b>Current assets</b>			
Stocks	8	601	551
Debtors	9	89,691	77,022
Cash at bank and in hand		2,279	812
		<u>92,571</u>	<u>78,385</u>
<b>Creditors: amounts falling due within one year</b>	10	(6,662)	(6,898)
<b>Net current assets</b>		<u>85,909</u>	<u>71,487</u>
<b>Net assets</b>		<u>250,338</u>	<u>235,933</u>
<b>Capital and reserves</b>			
Called up share capital	12	150	150
Share premium account	13	133,586	133,586
Profit and loss account	13	116,602	102,197
<b>Shareholders' funds</b>	14	<u>250,338</u>	<u>235,933</u>

These financial statements were approved by the Board of Directors on 10 September 2012

Signed on behalf of the Board of Directors



Stephen Alden  
Director

12 September 2012

# The Berkeley Hotel Limited

## Notes

*forming part of the financial statements*

### 1 Basis of preparation of financial statements and going concern

The financial statements have been prepared on a going concern basis

As at 31 December 2011 the company had net current assets of £85,909,000 and net assets of £250,338,000. The company has provided cross guarantees with respect to the borrowings of Coroin Limited and its subsidiaries (the "group")

As at 31 December 2011 the group had net current liabilities of £635,676,000 and net assets of £15,463,000. The group's projections for 2012 forecast increased operating profit and cash flows reflecting increased average room rates and occupancy. The group holds sufficient working capital to meet its trading obligations. Funding of the group's debt used to acquire and develop the assets is dependent upon the continued availability of bank borrowings which are due for refinancing in September 2012. It is expected that the group's bankers will continue to provide financing to enable the group to meet its obligations as and when they fall due until such time as alternative financial arrangements are put in place. Discussions are ongoing with a number of financial institutions with a view to putting in place alternate facilities. Alternative financial arrangements may require additional equity to be invested by parent company shareholders. The directors are satisfied that this will be available if required.

On this basis, the directors are satisfied that it is appropriate to prepare the financial statements on a going concern basis.

### 2 Turnover

	<b>Year ended 31 December 2011 £'000</b>	<b>18 month period ended 31 December 2010 £'000</b>
Hotel, restaurant and ancillary services	<b>45,137</b>	<b>62,534</b>
All turnover arises in the UK		

### 3 Staff numbers and costs

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

	<b>2011 No.</b>	<b>2010 No.</b>
Hotel and administration	<b>442</b>	<b>384</b>

# The Berkeley Hotel Limited

## Notes (continued)

### 3 Staff numbers and costs (continued)

The aggregate payroll costs of these persons were as follow

	2011 £'000	2010 £'000
Wages and salaries	8,611	11,439
Social security costs	710	1,017
Other pension costs	164	186
	<u>9,485</u>	<u>12,642</u>

The directors receive no remuneration for their services to this company

### 4 Operating profit

	Year ended 31 December 2011 £'000	18 month period ended 31 December 2010 £'000
Operating leases		
- Other assets	127	241
Depreciation – owned assets	2,912	3,938
	<u></u>	<u></u>

#### Auditor's Remuneration

	Year ended 31 December 2011 £'000	18 month period ended 31 December 2010 £'000
Audit of these financial statements	25	22
	<u></u>	<u></u>

Amounts receivable by the auditors and their associates in respect of

Other services relating to taxation	30	24
	<u></u>	<u></u>

# The Berkeley Hotel Limited

## Notes (continued)

### 5 Tax credit/(charge) on profit on ordinary activities

	Year ended 31 December 2011 £'000	18 month period ended 31 December 2010 £'000
UK corporation tax for the year at 26.49% (2010: 28%) based on the profit for the period/year	-	-
<b>Deferred tax (charge)/credit</b>		
Timing differences: origination and reversal		
Current year	651	(229)
Adjustment in respect of prior years	704	1
	<hr/>	<hr/>
<b>Tax credit/(charge) on profit on ordinary activities</b>	<b>1,355</b>	<b>(228)</b>
	<hr/>	<hr/>

### Factors affecting corporation tax charge for the current year

The corporation tax assessed for the period is lower than that resulting from applying the standard rate of corporation tax in the UK of 26.49% (2010: 28%)

# The Berkeley Hotel Limited

## Notes (continued)

### 5 Tax charge/(credit) on profit on ordinary activities (continued)

The differences are explained below

	Year ended 31 December 2011 £'000	18 month period ended 31 December 2010 £'000
Profit on ordinary activities before tax	13,050	19,088
Tax at 26.49% (2010 28%) thereon	3,457	5,345
<b>Effect of:</b>		
Expenses not deductible for tax purposes	7	1,483
Capital allowances in excess of qualifying depreciation	736	(229)
Group relief received for nil consideration	(4,201)	(6,599)
Other permanent differences	-	-
Other timing differences	1	-
<b>Current tax charge for the year/period</b>	<b>-</b>	<b>-</b>

#### Factors that may affect the future tax charge

Following the 2011 Budget Statement, the main rate of UK corporation tax was reduced from 28% directly to 26% with effect from 1 April 2011. Finance Act 2011, substantively enacted on 5 July 2011, further reduced the main rate of UK corporation tax to 25% from 1 April 2012. Following the 2012 Budget Statement, the main rate reduced from 26% directly to 24% with effect from 1 April 2012. Thereafter the main rate of UK corporation tax will continue to reduce by 1% per annum to 22% by 2014. It is expected that this graduated fall in the main corporation tax rate will result in a reduction of the company's deferred tax asset and also a reduction of the company's future current tax charge.

Deferred tax has not been provided on the difference between the carrying value and the tax basis of fixed assets. This tax will only become payable if the assets are sold and rollover relief is not obtained. The estimated amount of tax that would become payable in these circumstances is £28.8 million.

Deferred tax has not been provided in respect of gains realised that have been rolled over into the acquisition cost of replacement assets. This tax will become payable if replacement assets are sold and further rollover relief is not available. The estimated amount of tax that would become payable in these circumstances is £0.9 million.



# The Berkeley Hotel Limited

Notes (continued)

## 6 Tangible fixed assets

	Long leasehold land and buildings £'000	Assets under the course of construction £'000	Fixtures, fittings, plant and machinery £'000	Total £'000
<b>Cost</b>				
At 31 December 2010	132,906	11,808	48,387	193,101
Additions	-	2,895	-	2,895
Reclassification	294	(2,389)	2,095	-
	<hr/>	<hr/>	<hr/>	<hr/>
<b>At 31 December 2011</b>	<b>133,200</b>	<b>12,314</b>	<b>50,482</b>	<b>195,996</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Accumulated depreciation</b>				
At 31 December 2010	-	-	28,661	28,661
Charge for the year	-	-	2,912	2,912
	<hr/>	<hr/>	<hr/>	<hr/>
<b>At 31 December 2011</b>	<b>-</b>	<b>-</b>	<b>31,573</b>	<b>31,573</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net book value</b>				
<b>At 31 December 2011</b>	<b>133,200</b>	<b>12,314</b>	<b>18,909</b>	<b>164,423</b>
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2010	132,906	11,808	19,726	164,440
	<hr/>	<hr/>	<hr/>	<hr/>

Borrowings of the company's parent, Coroin Ltd, and other group companies, are secured by a fixed and floating charge over the assets of the company

# The Berkeley Hotel Limited

## Notes (continued)

### 7 Financial fixed assets

#### Investments in subsidiary undertakings

	2011 £'000	2010 £'000
<i>At cost and net book value</i>		
At beginning and end of period	6	6

The subsidiary undertakings are as follows

Subsidiary undertaking	Country of incorporation	Activity	Shareholding
The Minema Limited	Great Britain	Dormant Company	100%
The Berkeley Hotel Company Limited	Great Britain	Dormant Company	100%

### 8 Stocks

	2011 £'000	2010 £'000
Raw materials and consumables	601	551

The directors believe that the net realisable value of stock is greater than cost

### 9 Debtors

	2011 £'000	2010 £'000
Trade debtors	1,399	1,308
Amounts owed by group undertaking	86,172	74,552
Other debtors	67	196
Amounts owed by related company (note 18)	-	286
Prepayments and accrued income	696	678
Deferred tax asset (note 11)	1,357	2
	89,691	77,022

All amounts are due within one year

# The Berkeley Hotel Limited

## Notes (continued)

### 10 Creditors: amounts falling due within one year

	2011 £'000	2010 £'000
Trade creditors	2,180	1,509
Amounts owed to group undertaking	339	992
Amounts owed to subsidiary undertakings	6	6
Other taxes and social security	1,946	1,795
Other creditors	228	168
Accruals and deferred income	1,963	2,428
	<hr/>	<hr/>
	6,662	6,898
	<hr/>	<hr/>

### 11 Deferred tax

	2011 £'000	2010 £'000
<b>Movement in deferred tax asset</b>		
Opening deferred tax asset	2	230
Credit/(charge) to the profit and loss account (Note 5)	1,355	(228)
	<hr/>	<hr/>
<b>Closing deferred tax asset</b>	1,357	2
	<hr/>	<hr/>
	2011 £'000	2010 £'000
<b>Analysis of deferred tax asset</b>		
Difference between accumulated depreciation and capital allowances	1,351	(2)
Short term timing differences	6	4
	<hr/>	<hr/>
<b>Deferred tax asset</b>	1,357	2
	<hr/>	<hr/>

# The Berkeley Hotel Limited

## Notes (continued)

### 12 Called up share capital

	2011 £'000	2010 £'000
<i>Authorised, called up, allotted and fully paid</i>		
1,000,000 "A" ordinary shares of 10p each	100	100
500,000 "B" ordinary shares of 10p each	50	50
	<hr/>	<hr/>
	150	150
	<hr/>	<hr/>

Shares rank equally, except for a dividend and return on capital, where the distribution rights of the "A" shares are 10,000 times those of "B" shares

### 13 Reserves

	Share premium £'000	Revenue reserves £'000	Total £'000
At 31 December 2010	133,586	102,197	235,783
Profit for the financial year	-	14,405	14,405
	<hr/>	<hr/>	<hr/>
<b>At 31 December 2011</b>	<b>133,586</b>	<b>116,602</b>	<b>250,188</b>
	<hr/>	<hr/>	<hr/>

### 14 Reconciliation of movement in shareholders' funds

	2011 £'000	2010 £'000
At start of the financial year/period	235,933	217,073
Profit for the financial year/period	14,405	18,860
	<hr/>	<hr/>
<b>At end of the financial year/period</b>	<b>250,338</b>	<b>235,933</b>
	<hr/>	<hr/>

# The Berkeley Hotel Limited

## Notes (continued)

### 15 Capital commitments

	2011 £'000	2010 £'000
Capital commitment (land and buildings) Contracted but not provided for in the accounts	769	-

### 16 Operating lease commitments

	2011 £'000	2010 £'000
Operating lease commitments		
Other leases expiring		
- within one year	28	-
- in two to five years	216	165
- greater than five years	-	85
Annual commitments under non-cancellable leases	244	250

### 17 Pensions and similar obligations

The Berkeley Hotel Limited is a participating employer in two pension schemes. The Maybourne Hotels Group pension and life insurance scheme, a defined benefit scheme, which has two sections – Staff and Senior Staff section was closed to new entrants with effect from 1 August 2006. The Maybourne Stakeholder Scheme, a defined contribution scheme, was introduced on 1 August 2006 and is open to all staff if they meet the eligibility criteria. The company actively encourages staff to join the scheme as it believes that it is an important element of the remuneration package. This is disclosed fully in the consolidated accounts of Coroin Limited.

The directors are unable to identify the company's share of the scheme assets and liabilities as,

- Most scheme members have worked for more than one company within the group. The group structure has also changed materially over time due to restructurings, acquisitions and disposals. It is therefore not appropriate to allocate assets and liabilities between the participating companies.
- For funding purposes, the employers within the group share actuarial risks. The determination of cash contributions does not separately identify assets and liabilities for individual participating companies and all employers pay the same contribution rate in respect of accruing benefits. Contributions in respect of the past service deficit are paid separately by another group company.

As a result it is accounted for as a defined contribution scheme. The scheme is currently in deficit and it is expected that contributions will be increased to reduce the deficit. At 31 December 2011 this deficit, calculated in accordance with FRS 17, amounted to £5.2 million (31 December 2010 £1.4 million). Full details of the scheme are disclosed in the accounts of Coroin Limited.

# The Berkeley Hotel Limited

## Notes *(continued)*

### **18 Related party disclosures**

The company is exempt under the provisions of paragraph 3, Financial Reporting Standard 8 “Related Party Disclosures” from disclosing details of transactions with Group related parties

In the period ended 31 December 2010 the company financed capital expenditure on behalf of Goldrange, a company controlled by a number of directors of Coroin Limited. An amount of £285,655 was included in debtors at 31 December 2010 in this respect and has been paid in full by Goldrange in the period ended 31 December 2011.

### **19 Ultimate parent company**

The company’s ultimate parent company is Coroin Limited, a company incorporated in Great Britain and registered in England and Wales. This is the smallest and largest group in which the results of the company are consolidated. Copies of those statutory accounts will also be available from its registered office, 30 Old Burlington Street, Mayfair, London, W1S 3AR.