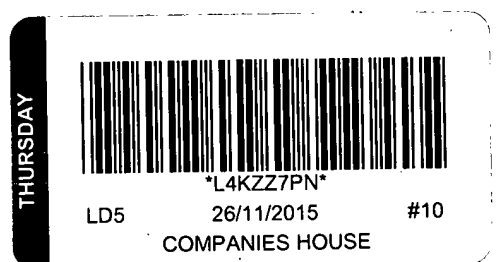


# The Berkeley Hotel Limited

## Directors' report and financial statements

For the year ended 31 December 2014

*Registered number: 3669260*



# The Berkeley Hotel Limited

## Directors' report and financial statements

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# **The Berkeley Hotel Limited**

## **Directors and other information**

### **Directors**

Liam Cunningham  
Carole Walker

### **Secretary**

Carole Walker

### **Registered office**

1 Vine Street  
Mayfair  
London  
W1J 0AH

### **Bankers**

Barclays Bank  
1 Churchill Place  
London  
E14 5HP

Allied Irish Bank (GB)  
City Office  
9 – 10 Angel Court  
London  
EC2R 7AB

### **Auditor**

KPMG  
Chartered Accountants  
1 Stokes Place  
St Stephen's Green  
Dublin 2

### **Solicitors**

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 2014.

### Activities

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

### Business review and future prospects

Turnover for the year ended 31 December 2014 amounted to £49.4 million (2013: £46.1 million) and average room rate grew by 5.8%. The profit before taxation was £13.6 million (2013: £12.8 million). The profit and loss account is shown on page 11. The key risk facing the company's performance for 2015 is a downturn in the global economy.

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

### Dividends

During the year no dividends have been paid or proposed (2013: £Nil).

### Directors and their interests

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

Stephen Alden	Resigned 21 July 2015
Liam Cunningham	Appointed 4 June 2015
Carole Walker	

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)*

### **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.

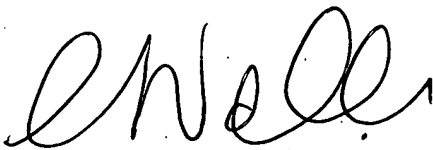
### **Political donations**

The company made no political contributions during the year (2013: £Nil).

### **Auditor**

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



Carole Walker  
Director

9 November 2015

# The Berkeley Hotel Limited

## Strategic report

The main activity of the company continues to be the operation of a five star hotel in the United Kingdom.

The company achieved a turnover of £49.4million in the year ended 31 December 2014 which is an increase of 7.2% on the year ended 31 December 2013.

The company produced an operating profit of £14million in the year to 31 December 2014, which is in line with the prior year operating profit.

The key performance indicators for the company are highlighted in the below table:

	2014	2013
Gross profit %	71.0	70.5
Operating profit %	28.4	27.7

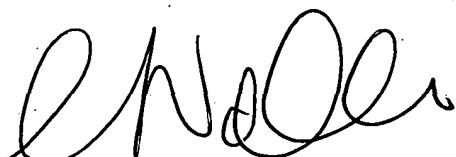
## Business risks and uncertainties

The hotel industry's performance is closely aligned to the general economic environment. Therefore, a key risk facing the company is adverse economic conditions. The Berkeley Hotel Limited has a progressive business model, charging its customers rates that vary depending on levels of demand. This reduces, though does not eliminate, the financial impact arising from such adverse conditions.

## Business review

The Company expects 2015 to improve in terms of trading, and is confident that trading will perform above market levels.

By order of the board and signed on its behalf by



Carole Walker  
Director

9 November 2015

# 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.

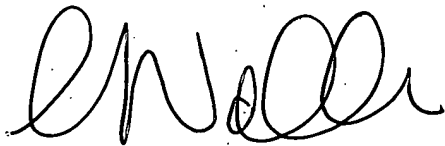
Company law requires the directors to prepare financial statements for each financial period. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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



Carole Walker  
Director

9 November 2015



**KPMG**  
**Audit**  
1 Stokes Place  
St. Stephen's Green  
Dublin 2  
Ireland

## 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 2014 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 5, 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 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 company 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 annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the case of performing the audit. 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 company's affairs as at 31 December 2014 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)

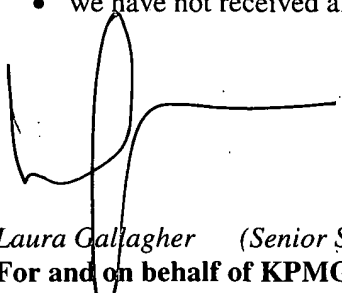
**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the strategic report and directors' report for the financial year for which 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.



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

9 November 2015

# The Berkeley Hotel Limited

## Statement of accounting policies

*for the year ended 31 December 2014*

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 Financial Reporting Council.

The financial statements have been prepared on a going concern basis.

### **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

*for the year ended 31 December 2014*

### **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 and manuscripts 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

### **Intangible fixed assets**

Where third party costs have been incurred in order to develop the company's brand, and where these have been assessed as commercially separable assets and the recovery of the costs can be foreseen with reasonable assurance, they are capitalised as intangible fixed assets and amortised to the profit and loss account on a straight line basis over the estimated economic life of the respective brand of 20 years, being the period during which the benefits are expected to accrue. Intangible fixed assets are reviewed for impairment when there are indications that the carrying value of the intangible may be compromised

### **Current tax**

Current tax is provided on the company's taxable profits at amounts expected to be paid using the tax rates and the laws that have been enacted at the balance sheet date.

### **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.

# The Berkeley Hotel Limited

## Statement of accounting policies

*for the year ended 31 December 2014*

### **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.

### **Financial Assets**

Investments in subsidiary undertakings are stated at cost less provision for impairment.

# The Berkeley Hotel Limited

Registered number: 3669260

## Profit and loss account

for the year ended 31 December 2014

	<i>Note</i>	<b>2014 £'000</b>	<b>2013 £'000</b>
<b>Turnover</b>	<i>1</i>	<b>49,409</b>	46,141
Cost of sales		<b>(14,319)</b>	(13,590)
		<hr/>	<hr/>
<b>Gross profit</b>		<b>35,090</b>	32,551
Administrative expenses		<b>(21,508)</b>	(19,768)
		<hr/>	<hr/>
<b>Profit on ordinary activities before taxation</b>	<i>3</i>	<b>13,582</b>	12,783
Tax (charge)/credit on profit on ordinary activities	<i>4</i>	<b>(211)</b>	298
		<hr/>	<hr/>
<b>Profit for the financial year</b>	<i>13/14</i>	<b>13,371</b>	13,081
		<hr/>	<hr/>

The company had no recognised gains or losses in the financial year 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 2014

	Note	2014 £'000	2013 £'000
<b>Fixed assets</b>			
Tangible assets	5	167,926	167,126
Intangible assets	6	4,050	4,500
Financial assets	7	6	6
		<hr/>	<hr/>
		171,982	171,632
<b>Current assets</b>			
Stocks	8	592	642
Debtors	9	128,379	112,880
Cash at bank and in hand		2,680	2,180
		<hr/>	<hr/>
		131,651	115,702
<b>Creditors: amounts falling due within one year</b>	10	(13,462)	(10,534)
		<hr/>	<hr/>
<b>Net current assets</b>		118,189	105,168
		<hr/>	<hr/>
<b>Net assets</b>		290,171	276,800
		<hr/>	<hr/>
<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	156,435	143,064
		<hr/>	<hr/>
<b>Shareholders' funds</b>	14	290,171	276,800
		<hr/>	<hr/>

These financial statements were approved by the Board of Directors on 9 November 2015.

Signed on behalf of the Board of Directors



Liam Cunningham  
Director  
9 November 2015



Carole Walker  
Director  
9 November 2015

# The Berkeley Hotel Limited

## Notes

*forming part of the financial statements*

### 1 Turnover

	2014 £'000	2013 £'000
Hotel, restaurant and ancillary services	49,409	46,141

All turnover arises in the United Kingdom.

### 2 Staff numbers and costs

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

	2014 No.	2013 No.
Hotel and administration	456	426

The aggregate payroll costs of these persons were as follow:

	2014 £'000	2013 £'000
Wages and salaries	9,817	9,199
Social security costs	804	732
Other pension costs	255	161
	10,876	10,092

The directors receive no remuneration for their services to this company.

# The Berkeley Hotel Limited

## Notes (continued)

### 3 Statutory information

	2014 £'000	2013 £'000
Operating leases		
- Other assets	91	91
Depreciation – owned assets	3,401	2,973
	<u>          </u>	<u>          </u>

### Auditor's remuneration

	2014 £'000	2013 £'000
Audit of these financial statements	25	25
	<u>          </u>	<u>          </u>
Amounts receivable by the auditors and their associates in respect of:		
Other services relating to taxation	30	30
	<u>          </u>	<u>          </u>

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

	2014 £'000	2013 £'000
UK corporation tax for the year	-	-
<b>Deferred tax credit (Note 11)</b>		
Timing differences: origination and reversal		
Current year	(79)	297
Adjustment in respect of prior years	(132)	-
	<u>          </u>	<u>          </u>
<b>Tax (charge)/credit on profit on ordinary activities</b>	<b>(211)</b>	<b>297</b>
	<u>          </u>	<u>          </u>

### 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 21.49% (2013: 23.25%).



# The Berkeley Hotel Limited

## Notes (continued)

### 4 Tax charge on profit on ordinary activities (continued)

The differences are explained below:

	2014 £'000	2013 £'000
Profit on ordinary activities before tax	13,582	12,783
Tax at 21.49% (2013: 23.25%) thereon:	2,919	2,972
<b>Effect of:</b>		
Expenses not deductible for tax purposes	138	83
Capital allowances for period in excess of depreciation	(64)	628
Group relief received for nil consideration	(2,972)	(3,690)
Other timing differences	(21)	7
<b>Current tax charge for the year</b>	-	-
<b>Factors that may affect the future tax charge</b>		

Reductions in the UK corporation tax rate from 26% to 24% (effective from 1 April 2012) and to 23% (effective 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly. The deferred tax asset/liability at the balance sheet date has been calculated based on the rate of 20% substantively enacted at the balance sheet date.

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 £21 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 £0.6 million.

# The Berkeley Hotel Limited

## Notes (continued)

### 5 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 2013	135,748	11,633	57,169	204,550
Additions	-	4,201	-	4,201
Reclassification	126	(2,107)	1,981	-
	<hr/>	<hr/>	<hr/>	<hr/>
<b>At 31 December 2014</b>	<b>135,874</b>	<b>13,727</b>	<b>59,150</b>	<b>208,751</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Accumulated depreciation</b>				
At 31 December 2013	-	-	37,424	37,424
Charge for the year	-	-	3,401	3,401
	<hr/>	<hr/>	<hr/>	<hr/>
<b>At 31 December 2014</b>	<b>-</b>	<b>-</b>	<b>40,825</b>	<b>40,825</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net book value</b>				
<b>At 31 December 2014</b>	<b>135,874</b>	<b>13,727</b>	<b>18,325</b>	<b>167,926</b>
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2013	135,748	11,633	19,745	167,126
	<hr/>	<hr/>	<hr/>	<hr/>

Borrowings of MHG Senior Borrower Limited, a group company and other group companies, are secured by a fixed and floating charge over the assets of the company.

### 6 Intangible fixed assets

	2014 £'000	2013 £'000
At beginning of year	4,500	-
Additions	-	4,500
Amortisation	(450)	-
	<hr/>	<hr/>
<b>At end of year</b>	<b>4,050</b>	<b>4,500</b>
	<hr/>	<hr/>

Last year the company purchased back certain intellectual property from Maybourne Management Services Limited, a company with common directors, for £4.5million, being its estimated fair value. The fair value was calculated using the Royalty Relief approach which is widely considered to be the most appropriate means of determining the value of intellectual property. Amortisation of this intangible over 10 years commenced in the financial year ended 31 December 2014.

# The Berkeley Hotel Limited

## Notes (continued)

### 7 Financial fixed assets

#### *Investments in subsidiary undertakings*

	2014 £'000	2013 £'000
<i>At cost and net book value</i>		
<b>At beginning and end of year</b>	<b>6</b>	<b>6</b>

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

	2014 £'000	2013 £'000
Raw materials and consumables	592	642

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

### 9 Debtors

	2014 £'000	2013 £'000
Trade debtors	3,356	2,202
Amounts owed by group undertaking	121,934	107,402
Other debtors	52	64
Prepayments and accrued income	1,040	1,004
Deferred tax asset (note 11)	1,997	2,208
	<b>128,379</b>	<b>112,880</b>

All amounts are due within one year.

# The Berkeley Hotel Limited

## Notes (continued)

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

	2014 £'000	2013 £'000
Trade creditors	2,834	1,716
Amounts owed to group undertaking	4,899	4,834
Amounts owed to subsidiary undertakings	6	6
Other taxes and social security	2,068	1,882
Other creditors	315	324
Accruals and deferred income	3,340	1,772
	<u>13,462</u>	<u>10,534</u>

### 11 Deferred tax

	2014 £'000	2013 £'000
<b>Movement in deferred tax asset</b>		
Opening deferred tax asset	2,208	1,910
(Charge)/credit to the profit and loss account (Note 4)	(211)	298
	<u>1,997</u>	<u>2,208</u>
<b>Closing deferred tax asset</b>	<u>1,997</u>	<u>2,208</u>
	2014 £'000	2013 £'000
<b>Analysis of deferred tax asset</b>		
Difference between accumulated depreciation and capital allowances	1,996	2,195
Short term timing differences	1	13
	<u>1,997</u>	<u>2,208</u>
<b>Deferred tax asset</b>	<u>1,997</u>	<u>2,208</u>

# The Berkeley Hotel Limited

## Notes (continued).

### 12 Called up share capital

	2014 £'000	2013 £'000
<i>Authorised, called up, allotted and fully paid</i>		
1,000,000 "A" ordinary shares of £0.1 each	100	100
500,000 "B" ordinary shares of £0.1 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 2013	133,586	143,064	276,650
Profit for the financial year	-	13,371	13,371
	<hr/>	<hr/>	<hr/>
At 31 December 2014	133,586	156,435	290,021
	<hr/>	<hr/>	<hr/>

### 14 Reconciliation of movement in shareholders' funds

	2014 £'000	2013 £'000
At start of the financial year	276,800	263,719
Profit for the financial year	13,371	13,081
	<hr/>	<hr/>
At end of the financial year	290,171	276,800
	<hr/>	<hr/>

# The Berkeley Hotel Limited

## Notes (continued)

### 15 Capital commitments

	2014 £'000	2013 £'000
Capital commitment (land and buildings) Contracted but not provided for in the accounts	2,115	176

### 16 Operating lease commitments

	2014 £'000	2013 £'000
Operating lease commitments		
Other leases expiring:		
- within one year	5	18
- in two to five years	61	63
- greater than five years	-	-
Annual commitments under non-cancellable leases	66	81

### 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 – the Staff and Senior Staff sections, 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. Pensions for 40 employees (2013: 41 employees) are funded through this scheme. The defined contribution pension cost for the year amounted to £70,705 (2013: £61,507). To comply with the law, the company auto-enrolled all employees who are not members of any pension scheme from 1 April 2014 – autoenrolment stakeholder pension scheme. 317 employees were auto-enrolled in 2014 with a cost for the year of £87,846. The company actively encourages staff to join the scheme as it believes that it is an important element of the remuneration package.

The consolidated pension position at 31 December 2014 is disclosed 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.

# The Berkeley Hotel Limited

## Notes *(continued)*

### **17 Pensions and similar obligations *(continued)***

- 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 the overall Group contributions have been capped at £315,289 a month (2013: £307,000 a month). At 31 December 2014 this deficit, calculated in accordance with FRS 17, amounted to £0.4million (31 December 2013: surplus of £2.1 million). Full details of the scheme are disclosed in the accounts of Coroin Limited.

### **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.

### **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, 1 Vine Street, Mayfair, London, W1J 0AH.

### **20 Post balance sheet events**

In April 2015 the entire share capital of Coroin Limited, the company's ultimate parent company, was acquired by Constellation Hotels.

In October 2015 the group successfully negotiated new loan facilities with new lenders which are repayable in October 2022. The financial impact of this transaction will be reflected in the group financial statements for the year ended 31 December 2015.

### **21 Approval of financial statements**

The financial statements were approved by the board of directors on 9 November 2015.