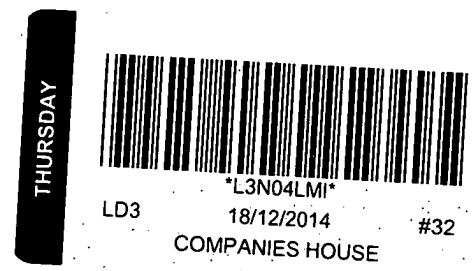


Registration number: 07469777

Imperial London Hotels Group Limited

Directors' Report and Consolidated Financial Statements

Year Ended 30 April 2014



Imperial London Hotels Group Limited

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Year Ended 30 April 2014

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Imperial London Hotels Group Limited

Company Information

Year Ended 30 April 2014

Directors	H R Walduck T H Walduck S H Walduck A H Walduck J A Walduck N S Walduck K T Waller C S Walton
Registered office	Imperial Hotel 61/66 Russell Square London WC1B 5BB
Bankers	Barclays Bank plc 1 Churchill Place Level 27 Canary Wharf London E14 5HP
Auditors	Dixon Wilson 22 Chancery Lane London WC2A 1LS

Imperial London Hotels Group Limited
Strategic Report
Year Ended 30 April 2014

The directors present their strategic report for the year ended 30 April 2014.

Business review

Fair review of the business

The directors are satisfied with the performance of the company and its prospects in light of the trading results in the year of the accounts and subsequently.

The group monitors its performance through the use of industry standard Key Performance Indicators (KPIs) including occupancy percentage and revenue per guest. Monthly management reports are employed to monitor KPIs.

Principal risks and uncertainties

The principal risks are related to the level of tourism in London. The directors take measures to minimise the group's exposure to these risks on an ongoing basis.

Approved by the Board on 09/12/14 and signed on its behalf by:



H R Walduck
Director

Imperial London Hotels Group Limited

Directors' Report

Year Ended 30 April 2014

The directors present their report and the consolidated financial statements for the year ended 30 April 2014.

Directors of the company

The directors who held office during the year were as shown on page 1.

Financial instruments

Objectives and policies

The group's financial instruments include a bank facility for day-to-day working capital and other financial assets and liabilities arising from its operations such as trade debtors and trade creditors.

Price risk, credit risk, liquidity risk and cash flow risk

The group manages its cash and borrowing requirements with its subsidiary companies to ensure that all members of the group have sufficient liquid resources to meet the operating needs of its business.

All customers who wish to trade on credit terms are subject to credit verification procedures. Receivable balances are monitored on an on-going basis and provision is made for doubtful debts where necessary.

Employment of disabled persons

The company supports the employment of disabled people wherever possible in recruitment, retention of those who become disabled during their employment and through training and career development. The company complies with health and safety regulations and encourages the improvement of working conditions.

Employee involvement

With the major activity of the group being the operation of hotels, good communication is the essence of an efficient and productive business. In order to achieve this and a harmonious working environment, the directors believe that effective communication between themselves and senior staff is essential. This is most notably achieved by a "hands on" style of management where directors are visible and communications can be established directly between them and all levels of staff in an informal manner.

Disclosure of information to the auditors

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

By order of the board



H R Walduck
Director

London
09/12/14

Imperial London Hotels Group Limited

Statement of Directors' Responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Independent Auditors' Report to the Members of Imperial London Hotels Group Limited

We have audited the financial statements of Imperial London Hotels Group Limited for the year ended 30 April 2014, set out on pages 6 to 36. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities (set out on page 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Directors' 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 course 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 group's and of the parent company's affairs as at 30 April 2014 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

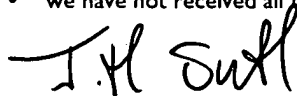
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Jonathan Sutton (Senior Statutory Auditor)
For and on behalf of Dixon Wilson, Statutory Auditor
22 Chancery Lane
London
WC2A 1LS

Date: 09/12/14

Imperial London Hotels Group Limited
Consolidated Profit and Loss Account
Year Ended 30 April 2014

	Note	2014 £	2013 £
Turnover	2	77,075,909	65,560,507
Cost of sales		<u>(44,621,605)</u>	<u>(40,316,083)</u>
Gross profit		32,454,304	25,244,424
Administrative expenses		(21,360,530)	(23,950,128)
Current pension service income		449,000	696,000
Other operating income		<u>3,182,963</u>	<u>2,625,431</u>
Group operating profit	3	14,725,737	4,615,727
Loss on disposal of fixed assets		<u>(5,081)</u>	<u>(2,423)</u>
Profit on ordinary activities before investment income and interest		14,720,656	4,613,304
Other interest receivable and similar income		61,452	234,639
Other finance income		785,000	748,000
Interest payable and similar charges	6	<u>(2,163,911)</u>	<u>(2,165,647)</u>
Profit on ordinary activities before taxation		13,403,197	3,430,296
Tax on profit on ordinary activities	7	<u>(3,445,215)</u>	<u>(393,568)</u>
Profit for the financial year attributable to members of the parent company	16	<u>9,957,982</u>	<u>3,036,728</u>

All income and expenditure relates to continuing operations.

Imperial London Hotels Group Limited
Consolidated Statement of Total Recognised Gains and Losses
Year Ended 30 April 2014

	Note	2014 £	2013 £
Profit for the financial year		9,957,982	3,036,728
Actuarial loss recognised on defined benefit pension scheme	18	<u>(1,564,000)</u>	<u>(2,164,000)</u>
Total recognised gains and losses relating to the year		<u>8,393,982</u>	<u>872,728</u>

Imperial London Hotels Group Limited
Consolidated Balance Sheet at 30 April 2014

			2014		2013
	Note	£	£	£	£
Fixed assets					
Tangible fixed assets	8		181,567,289		171,593,613
Other investments	9		600,045		500,045
			<u>182,167,334</u>		<u>172,093,658</u>
Current assets					
Stocks	10	17,372,139		20,314,834	
Debtors	11	14,446,090		10,250,336	
Cash at bank and in hand		<u>13,304,129</u>		<u>24,951,247</u>	
		45,122,358		55,516,417	
Creditors: Amounts falling due within one year	12	<u>(20,290,905)</u>		<u>(27,440,485)</u>	
Net current assets			<u>24,831,453</u>		<u>28,075,932</u>
Total assets less current liabilities			206,998,787		200,169,590
Creditors: Amounts falling due after more than one year	13		(45,812,326)		(47,737,951)
Provisions for liabilities	14		<u>(335,358)</u>		<u>(304,518)</u>
Net assets excluding pension asset/liability			160,851,103		152,127,121
Net pension liability	18		<u>(1,050,000)</u>		<u>(720,000)</u>
Net assets			<u>159,801,103</u>		<u>151,407,121</u>
Capital and reserves					
Called up share capital	15	37,502		37,502	
Capital redemption reserve	16	287,498		287,498	
Other reserves	16	10,000,000		10,000,000	
Profit and loss account	16	<u>149,476,103</u>		<u>141,082,121</u>	
Shareholders' funds	17		<u>159,801,103</u>		<u>151,407,121</u>

Approved by the Board on 09/12/14 and signed on its behalf by:

.....
H R Walduck
Director

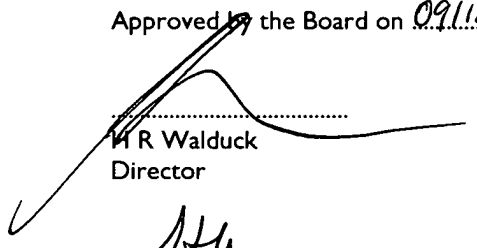
.....
S H Walduck
Director

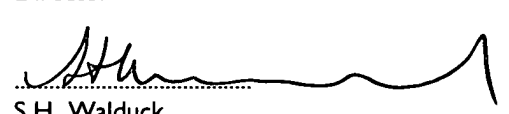
The notes on pages 12 to 36 form an integral part of these financial statements.

Imperial London Hotels Group Limited
(Registration number: 07469777)
Company Balance Sheet at 30 April 2014

	Note	2014 £	2013 £
Fixed assets			
Investments	9	37,702	37,702
Creditors: Amounts falling due within one year	12	(200)	(200)
Net assets		<u>37,502</u>	<u>37,502</u>
Capital and reserves			
Called up share capital	15	<u>37,502</u>	<u>37,502</u>
Shareholders' funds	17	<u>37,502</u>	<u>37,502</u>

Approved by the Board on 09/12/14 and signed on its behalf by:


M R Walduck
Director


S H Walduck
Director

Imperial London Hotels Group Limited
Consolidated Cash Flow Statement
Year Ended 30 April 2014

	2014 £	2013 £
Reconciliation of operating profit to net cash flow from operating activities		
Operating profit	14,725,737	4,615,727
Depreciation, amortisation and impairment charges	683,081	682,223
Decrease/(increase) in stocks	2,942,695	(3,274,584)
(Increase)/decrease in debtors	(4,247,270)	1,272,311
(Decrease)/increase in creditors	(9,266,299)	7,082,250
Increase/(decrease) in provisions	30,840	(82,011)
Difference between defined benefit pension charge and cash contributions	(449,000)	(696,000)
Net cash inflow from operating activities	<u>4,419,784</u>	<u>9,599,916</u>
Returns on investments and servicing of finance		
Interest received	61,452	234,639
Interest paid	(2,046,943)	(2,064,649)
	<u>(1,985,491)</u>	<u>(1,830,010)</u>
Tax paid	<u>(3,393,699)</u>	<u>(5,576,233)</u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(10,664,738)	(3,364,601)
Sale of tangible fixed assets	2,900	142,181
Purchase of investments	(100,000)	-
	<u>(10,761,838)</u>	<u>(3,222,420)</u>
Net cash outflow before financing	<u>(11,721,244)</u>	<u>(1,028,747)</u>
Financing		
Value of new loans obtained during the period	8,683,626	2,192,113
Repayment of loans and borrowings	(8,629,613)	(8,314,006)
	<u>54,013</u>	<u>(6,121,893)</u>
Decrease in cash	<u>(11,667,231)</u>	<u>(7,150,640)</u>

The notes on pages 12 to 36 form an integral part of these financial statements.

Imperial London Hotels Group Limited
Consolidated Cash Flow Statement
Year Ended 30 April 2014

Reconciliation of net cash flow to movement in net debt

	Note	2014 £	2013 £
Decrease in cash		(11,667,231)	(7,150,640)
Cash inflow from increase in loans		(8,683,626)	(2,192,113)
Cash outflow from repayment of loans		<u>8,629,613</u>	<u>8,314,006</u>
Change in net debt resulting from cash flows	21	(11,721,244)	(1,028,747)
Other non-cash movements		<u>(116,968)</u>	<u>(100,997)</u>
Movement in net debt	21	(11,838,212)	(1,129,744)
Net debt at 1 May	21	<u>(34,097,704)</u>	<u>(32,967,960)</u>
Net debt at 30 April	21	<u>(45,935,916)</u>	<u>(34,097,704)</u>

Imperial London Hotels Group Limited

Notes to the Financial Statements

Year Ended 30 April 2014

I Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Basis of consolidation

The group financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 30 April 2014.

The profits and losses of subsidiary undertakings are consolidated from the date of acquisition or incorporation to the date of disposal using the acquisition method of accounting.

No profit and loss account is presented for the company as permitted by Section 408 of the Companies Act 2006. Its profit for the financial year was £nil (2013 - £nil).

Turnover

Hotel operating income is recognised at the point a guest occupies a room or is charged for a no-show.

Income on the sale of tickets is recognised at the point of sale.

Income from the sale of crops is recognised as it arises during the year.

Income from set-aside or government grants is recognised at the point when the company has met its obligations under the scheme and payment becomes due.

Income from property sales is recognised on exchange of contracts.

Rental income and provision of services is brought into account on an accruals basis. Income is matched to the days in the period.

Depreciation

The group provides for depreciation on freehold buildings over a period of 50 years, after consideration of the estimated residual value, and on long leasehold premises over the period of the lease.

The annual rates of depreciation in respect of fixed assets are as follows:

Asset class	Depreciation method and rate
Freehold buildings	2% fixed instalment
Long leasehold buildings	Period of lease
Furniture, plant and equipment	10 - 25% reducing balance
Motor vehicles and tractors - Hotels/farm	20 - 25% fixed instalment
Motor vehicles	25% reducing balance

Imperial London Hotels Group Limited

Notes to the Financial Statements

Year Ended 30 April 2014

Investment properties

Certain of the group's properties are held for long-term investment. Investment properties are accounted for in accordance with SSAP 19, as follows:

No depreciation is provided in respect of investment properties and they are revalued annually. The surplus or deficit on revaluation is transferred to the revaluation reserve unless a deficit below original cost, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year.

This treatment as regards the group's investment properties is a departure from the requirements of the Companies Act concerning the depreciation of fixed assets. However, these properties are not held for consumption but for investment and the directors consider that systematic annual depreciation would be inappropriate. The accounting policy adopted is therefore necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

Fixed asset investments

Investments are stated at cost less amounts written off or provided against.

Stock

Stock is valued at the lower of cost and net realisable value. The basis of valuation is consistent with that of previous years. Where relevant, net realisable value is based on estimated selling price less further costs expected to be incurred on completion and disposal.

Deferred tax

It is group policy to provide for any deferred taxation without discounting in respect of all timing differences in accordance with Financial Reporting Standard 19.

Foreign currency

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date.

Transactions and fixed assets denoted in foreign currencies are recorded at the rate ruling at the date of the transaction.

All differences arising on exchange are dealt with in the profit and loss account.

Hire purchase and leasing

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

Imperial London Hotels Group Limited

Notes to the Financial Statements

Year Ended 30 April 2014

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments.

Finance costs of borrowings are allocated to periods over the term of the borrowings at a constant rate on the carrying amount. All finance costs are charged in the profit and loss account.

Amounts payable or receivable under interest rate swap agreements are recognised in the period in which they arise.

Pensions

The group has adopted Financial Reporting Standard 17 "Retirement Benefits" in the accounts for the year ended 30 April 2007 and all subsequent years to date. The pension scheme's liabilities are measured using a project unit method and discounted based on the yields of long-dated AA-rated corporate bonds. The pension scheme's assets are valued at market rate. The pension scheme's surpluses/deficits are recognised in full on the balance sheet (to the extent they can be recovered in the event of surplus).

Imperial London Hotels Group Limited
Notes to the Financial Statements
Year Ended 30 April 2014

2 Turnover

An analysis of turnover by class of business is given below:

	2014	2013
	£	£
Hotel operating	64,002,399	56,665,615
Property trading and investment	11,503,703	7,428,465
Agriculture	115,659	199,818
Car park turnover	679,537	644,138
Ticket agent and coach sightseeing	774,611	622,471
	<u>77,075,909</u>	<u>65,560,507</u>

3 Operating profit

Operating profit is stated after charging:

	2014	2013
	£	£
Operating leases - other assets	865	865
Foreign currency losses/(gains)	5,714	(9,191)
Depreciation of owned assets	683,081	682,223
Auditor's remuneration - The audit of the company's annual accounts	3,000	3,000
Auditor's remuneration - The audit of the company's subsidiaries' annual accounts	77,450	76,974
Auditor's remuneration - Audit of staff pension scheme	10,500	10,500
Auditor's remuneration - Services provided to the Executive Pension Scheme	2,800	2,800
Auditor's remuneration - Tax services	17,400	17,400
Auditor's remuneration - Other services	<u>30,693</u>	<u>30,395</u>

Imperial London Hotels Group Limited
Notes to the Financial Statements
Year Ended 30 April 2014

4 Particulars of employees

Employee costs during the year (including directors):

	2014	2013
	£	£
Wages and salaries	31,229,806	32,535,627
Social security costs	3,165,489	3,515,896
Staff pensions	2,057,193	2,198,608
	<u>36,452,488</u>	<u>38,250,131</u>

The average number of persons employed (including directors):

	2014	2013
	No.	No.
Hotel operating	1,099	1,063
Other activities	15	15
	<u>1,114</u>	<u>1,078</u>

Imperial London Hotels Group Limited
Notes to the Financial Statements
Year Ended 30 April 2014

5 Directors' remuneration

The directors' remuneration for the year was as follows:

	2014	2013
	£	£
Emoluments	15,242,535	17,316,193
Estimated value of benefits in kind	<u>25,000</u>	<u>25,000</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2014	2013
	No.	No.
Accruing benefits under defined benefit pension scheme	<u>5</u>	<u>5</u>

In respect of the highest paid director:

	2014	2013
	£	£
Emoluments	<u>4,544,992</u>	<u>3,521,642</u>

6 Interest payable and similar charges

	2014	2013
	£	£
On loans and overdrafts	<u>2,163,911</u>	<u>2,165,647</u>

Imperial London Hotels Group Limited
Notes to the Financial Statements
Year Ended 30 April 2014

7 Taxation

Tax on profit on ordinary activities

	2014	2013
	£	£
Current tax		
Corporation tax charge	3,575,755	826,379
Adjustments in respect of previous years	(161,380)	(350,800)
UK Corporation tax	3,414,375	475,579
Deferred tax		
Origination and reversal of timing differences	30,840	(82,011)
Total tax on profit on ordinary activities	<u>3,445,215</u>	<u>393,568</u>

Factors affecting current tax charge for the year

Tax on profit on ordinary activities for the year is higher than (2013 - lower than) the standard rate of corporation tax in the UK of 22.84% (2013 - 23.92%).

The differences are reconciled below:

	2014	2013
	£	£
Profit on ordinary activities before taxation	<u>13,403,197</u>	<u>3,430,296</u>
Corporation tax at standard rate	3,061,290	820,527
Depreciation in (arrears)/advance of capital allowances	(168,713)	122,103
Pension scheme adjustment	(281,846)	(345,405)
Expenses not allowable for tax purposes	1,056,235	12,280
Adjustment for prior periods	(161,380)	(350,800)
Marginal rate relief	(630)	(873)
Other differences	(90,581)	217,747
Total current tax	<u>3,414,375</u>	<u>475,579</u>

Imperial London Hotels Group Limited
Notes to the Financial Statements
Year Ended 30 April 2014

8 Tangible fixed assets

Group

	Freehold land and buildings £	Long leasehold land and buildings £	Investment properties £	Plant and machinery £	Total £
Cost or valuation					
At 1 May 2013	80,503,158	2,261,612	88,367,818	10,332,451	181,465,039
Additions	8,502,624	1,760,360	142,668	259,086	10,664,738
Disposals	-	-	-	(21,105)	(21,105)
At 30 April 2014	<u>89,005,782</u>	<u>4,021,972</u>	<u>88,510,486</u>	<u>10,570,432</u>	<u>192,108,672</u>
Depreciation					
At 1 May 2013	2,895,065	63,679	-	6,912,682	9,871,426
Charge for the year	240,004	43,380	-	399,697	683,081
Eliminated on disposals	-	-	-	(13,124)	(13,124)
At 30 April 2014	<u>3,135,069</u>	<u>107,059</u>	<u>-</u>	<u>7,299,255</u>	<u>10,541,383</u>
Net book value					
At 30 April 2014	<u>85,870,713</u>	<u>3,914,913</u>	<u>88,510,486</u>	<u>3,271,177</u>	<u>181,567,289</u>
At 30 April 2013	<u>77,608,093</u>	<u>2,197,933</u>	<u>88,367,818</u>	<u>3,419,769</u>	<u>171,593,613</u>

Revaluations

The Investment properties were revalued on 30 April 2014 by management and have an open market value of £88,510,486 (2013 - £88,367,818). The cost of the properties is £88,510,486 (2013 - £88,367,818). The properties are not depreciated.

Imperial London Hotels Group Limited
Notes to the Financial Statements
Year Ended 30 April 2014

9 Investments held as fixed assets

Company

	2014 £	2013 £
Shares in group undertakings and participating interests	<u>37,702</u>	<u>37,702</u>

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
At 1 May 2013	<u>37,702</u>	<u>37,702</u>
At 30 April 2014	<u>37,702</u>	<u>37,702</u>
Net book value		
At 30 April 2014	<u>37,702</u>	<u>37,702</u>

Details of undertakings

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

Undertaking	Holding	Proportion of voting rights and shares held	Principal activity
Subsidiary undertakings			
The Imperial London Hotels Limited	Ordinary	100%	Hoteliers
Imperial London Properties Limited	Ordinary	100%	Holding company
Imperial London Enterprises Limited	Ordinary	100%	Property company

Consolidated subsidiary companies and their activities are as follows:

Property companies

Walduck Properties Limited (a subsidiary of The Imperial London Hotels Limited)

Brownlow Developments Limited (a subsidiary of The Imperial London Hotels Limited)

Philip Kirsh Limited (a subsidiary of Brownlow Developments Limited)

Brownlow Trust Pty Limited (a subsidiary of Brownlow Developments Limited and incorporated in Tasmania)

Imperial London Hotels Group Limited

Notes to the Financial Statements

Year Ended 30 April 2014

Car park operator

C C Parking Limited (a subsidiary of The Imperial London Hotels Limited)

Agriculture

Hatfield Farms Limited (a subsidiary of The Imperial London Hotels Limited)

Ticket agent and coach sightseeing

Travellers Check-In Limited (a subsidiary of The Imperial London Hotels Limited)

Property investment

Tudehope Limited (a subsidiary of Imperial London Properties Limited)

Except as stated above, all subsidiary companies are registered in England and are wholly owned.

Group

Other investments

	Unlisted investments £	Total £
Cost		
At 1 May 2013	500,045	500,045
Additions	100,000	100,000
At 30 April 2014	600,045	600,045
Net book value		
At 30 April 2014	600,045	600,045
At 30 April 2013	500,045	500,045

Unlisted investments include a holding of 22.5% of the ordinary share capital of Bloomsbury Leisure Holdings Limited and a holding of 22.7% of the ordinary share capital in Oakgrange Limited.

Imperial London Hotels Group Limited

Notes to the Financial Statements

Year Ended 30 April 2014

10 Stocks

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Consumables and goods for resale	838,872	1,051,085	-	-
Trading properties	16,533,267	19,263,749	-	-
	<u>17,372,139</u>	<u>20,314,834</u>	<u>-</u>	<u>-</u>

11 Debtors

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Trade debtors	9,686,861	5,624,838	-	-
Other debtors	530,893	466,551	-	-
Corporation tax	3,645,282	3,696,798	-	-
Prepayments and accrued income	583,054	462,149	-	-
	<u>14,446,090</u>	<u>10,250,336</u>	<u>-</u>	<u>-</u>

Imperial London Hotels Group Limited

Notes to the Financial Statements

Year Ended 30 April 2014

12 Creditors: Amounts falling due within one year

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Bank loans and overdrafts	6,765,547	6,347,576	-	-
Trade creditors	2,544,744	3,298,241	-	-
Amounts owed to group undertakings	-	-	200	200
Other taxes and social security	1,334,342	9,725,422	-	-
Other creditors	975,542	916,173	-	-
Accruals and deferred income	2,008,560	2,189,651	-	-
Other loans	6,662,170	4,963,422	-	-
	<u>20,290,905</u>	<u>27,440,485</u>	<u>200</u>	<u>200</u>

Included within creditors falling due within one year is an amount of £6,392,319 (2013 - £6,314,006) which, in addition to £37,345,632 (2013 - £43,737,951) of the liabilities falling due after more than one year, is secured on the assets of Tudehope Limited. The security has been provided through a charge over Tudehope Limited's freehold property and through a negative pledge over the other assets. Cross guarantees have been provided by Walduck Properties Limited and C C Parking Limited, which are also companies in The Imperial London Hotels Group.

Interest is payable on the debt at 1.8% above LIBOR, assessed on the first day of each quarterly interest period, and the mandatory cost agreed with the bank in each period.

At 30 April 2014, the group had amortising interest rate swaps over a proportion of these liabilities with an outstanding value of £27,300,000 (2013 - £30,225,000). The interest rate swaps have been taken out to provide certainty over a proportion of the interest costs during the life of the loan.

At 30 April 2014, the group had an interest rate cap over the remaining portion of the loan with an outstanding value of £16,575,000 (2013 - £20,150,000). The interest rate cap was also taken out to provide certainty over the balance of the interest costs during the life of the loan. The interest rate did not exceed the interest rate cap during the year.

Also included within creditors falling due within one year is an amount of £319,545 (2013 - £nil) which, in addition to £6,466,694 (2013 - £nil) of the liabilities falling due after more than one year, is secured on the assets of Imperial London Enterprises Limited. The security has been provided through first legal charge over the Imperial London Enterprises' properties and a negative pledge over the other assets. A cross guarantee has been provided by the parent company, Imperial London Hotels Group Limited.

Interest is payable on the debt at 2.0% above LIBOR, assessed on the first day of each quarterly interest period, and the mandatory cost agreed with the bank in each period.

Imperial London Hotels Group Limited
Notes to the Financial Statements
Year Ended 30 April 2014

13 Creditors: Amounts falling due after more than one year

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Bank loans	43,812,326	43,737,951	-	-
Other loans	2,000,000	4,000,000	-	-
	<u>45,812,326</u>	<u>47,737,951</u>	<u>-</u>	<u>-</u>
	Group	Company		
	2014	2013	2014	2013
	£	£	£	£
After more than five years by instalments	<u>11,375,000</u>	<u>17,875,000</u>	<u>-</u>	<u>-</u>

Imperial London Hotels Group Limited
Notes to the Financial Statements
Year Ended 30 April 2014

14 Provisions

Group

	Deferred tax £	Total £
At 1 May 2013	304,518	304,518
Charged to the profit and loss account	30,840	30,840
At 30 April 2014	<u>335,358</u>	<u>335,358</u>

Analysis of deferred tax

	2014 £	2013 £
Difference between accumulated depreciation and amortisation and capital allowances	352,532	386,458
Other timing differences	<u>(17,174)</u>	<u>(81,940)</u>
	<u>335,358</u>	<u>304,518</u>

15 Share capital

Allotted, called up and fully paid shares

	2014		2013	
	No.	£	No.	£
Ordinary of £1 each	<u>37,502</u>	<u>37,502</u>	<u>37,502</u>	<u>37,502</u>

Imperial London Hotels Group Limited
Notes to the Financial Statements
Year Ended 30 April 2014

16 Reserves

Group

	Capital redemption reserve £	Other reserves £	Profit and loss account £	Total £
At 1 May 2013	287,498	10,000,000	141,082,121	151,369,619
Profit for the year	-	-	9,957,982	9,957,982
Actuarial loss on pension schemes	-	-	(1,564,000)	(1,564,000)
At 30 April 2014	<u>287,498</u>	<u>10,000,000</u>	<u>149,476,103</u>	<u>159,763,601</u>

Imperial London Hotels Group Limited
Notes to the Financial Statements
Year Ended 30 April 2014

17 Reconciliation of movement in shareholders' funds

Group

	2014	2013
	£	£
Profit attributable to the members of the group	9,957,982	3,036,728
Other recognised gains and losses relating to the year	<u>(1,564,000)</u>	<u>(2,164,000)</u>
Net addition to shareholders' funds	8,393,982	872,728
Shareholders' funds at 1 May	<u>151,407,121</u>	<u>150,534,393</u>
Shareholders' funds at 30 April	<u>159,801,103</u>	<u>151,407,121</u>

Company

	2014	2013
	£	£
Net addition/(reduction) to shareholders' funds	-	-
Shareholders' funds at 1 May	<u>37,502</u>	<u>37,502</u>
Shareholders' funds at 30 April	<u>37,502</u>	<u>37,502</u>

Imperial London Hotels Group Limited

Notes to the Financial Statements

Year Ended 30 April 2014

18 Pension schemes

The group operates two defined benefit schemes covering its permanent staff and executives. Both funds are administered by trustees and are independent of the company's finances, being invested in a managed fund and an approved self-administered scheme respectively. Pension costs are measured in accordance with the advice of qualified actuaries.

Executive Scheme

These disclosures have been based on an updated actuarial valuation conducted by a qualified independent actuary on a full actuarial valuation as at 30 April 2014.

Contributions payable to the pension scheme at the end of the year are £nil (2013 - £nil).

The total contributions in the next year are expected to be £nil.

Principal actuarial assumptions

The principal actuarial assumptions at the balance sheet date are as follows:

	2014 %	2013 %
Discount rate	4.20	4.00
Future salary increases	2.40	2.20
Inflation	3.40	3.20

Post retirement mortality assumptions

	2014 Years	2013 Years
Current pensioners at retirement age - male	25	25
Current pensioners at retirement age - female	27	27
Future pensioners at retirement age - male	28	28
Future pensioners at retirement age - female	30	30

Reconciliation of scheme assets and liabilities to assets and liabilities recognised

The amounts recognised in the balance sheet are as follows:

	2014 £	2013 £
Fair value of scheme assets	51,600,000	51,900,000
Present value of scheme liabilities	(52,650,000)	(52,620,000)
Net liability in the balance sheet	(1,050,000)	(720,000)

Imperial London Hotels Group Limited
Notes to the Financial Statements
Year Ended 30 April 2014

Scheme assets

Changes in the fair value of scheme assets are as follows:

	2014 £	2013 £
Fair value at start of year	51,900,000	48,900,000
Expected return on assets	2,439,000	2,445,000
Actuarial gains and losses	(974,000)	2,274,000
Benefits paid	(1,765,000)	(1,719,000)
Fair value at end of year	<u>51,600,000</u>	<u>51,900,000</u>

Analysis of assets

The major categories of scheme assets are as follows:

	2014 £	2013 £
Equity instruments	27,600,000	25,500,000
Debt instruments	14,600,000	12,000,000
Property	2,900,000	2,900,000
Cash	6,500,000	11,500,000
	<u>51,600,000</u>	<u>51,900,000</u>

Actual return on scheme's assets

	2014 %	2013 %
Actual return on scheme assets	<u>3</u>	<u>10</u>

The overall expected return on assets assumption is derived as the weighted average of the expected returns from each of the main asset classes.

Imperial London Hotels Group Limited
Notes to the Financial Statements
Year Ended 30 April 2014

Scheme liabilities

Changes in the present value of scheme liabilities are as follows:

	2014	2013
	£	£
Present value at start of year	52,620,000	43,907,000
Current service cost	453,000	333,000
Actuarial gains and losses	(737,000)	8,111,000
Interest cost	2,079,000	1,988,000
Benefits paid	(1,765,000)	(1,719,000)
Present value at end of year	<u>52,650,000</u>	<u>52,620,000</u>
Analysed as:		
Present value arising from wholly or partly funded schemes	<u>(52,650,000)</u>	<u>(52,620,000)</u>

Amounts recognised in the profit and loss account

	2014	2013
	£	£
Amounts recognised in operating profit		
Current service cost	<u>453,000</u>	<u>333,000</u>
Recognised in arriving at operating profit	<u>453,000</u>	<u>333,000</u>
Amounts recognised in other finance cost		
Interest cost	2,079,000	1,988,000
Expected return on scheme assets	<u>(2,439,000)</u>	<u>(2,445,000)</u>
Recognised in other finance cost	<u>(360,000)</u>	<u>(457,000)</u>
Total recognised in the profit and loss account	<u>93,000</u>	<u>(124,000)</u>

Imperial London Hotels Group Limited
Notes to the Financial Statements
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Amounts recognised in the statement of total recognised gains and losses

	2014 £	2013 £
Effect of FRS 17 paragraph 41	-	4,993,000
Other actuarial gains/(losses)	<u>(237,000)</u>	<u>(5,837,000)</u>
Actuarial gains/(losses) recognised in the Statement of Total Recognised Gains and Losses	<u>(237,000)</u>	<u>(844,000)</u>

The cumulative amount of actuarial gains and losses recognised in the statement of total recognised gains and (losses) since 1 January 2002 is (£6,570,000) (2013 - (£6,333,000)).

History of experience adjustments on scheme assets and liabilities

Amounts for the current and previous 4 periods are as follows:

	2014 £	2013 £	2012 £	2011 £	2010 £
Fair value of scheme assets	51,600,000	51,900,000	48,900,000	47,200,000	46,200,000
Present value of scheme liabilities	<u>(52,650,000)</u>	<u>(52,620,000)</u>	<u>(43,907,000)</u>	<u>(39,935,000)</u>	<u>(40,093,000)</u>
(Deficit)/surplus in scheme	<u>(1,050,000)</u>	<u>(720,000)</u>	<u>4,993,000</u>	<u>7,265,000</u>	<u>6,107,000</u>
Experience adjustments:					
	2014 £	2013 £	2012 £	2011 £	2010 £
Experience adjustments arising on scheme assets	<u>(974,000)</u>	<u>2,274,000</u>	<u>(943,000)</u>	<u>197,000</u>	<u>3,574,000</u>

Imperial London Hotels Group Limited

Notes to the Financial Statements

Year Ended 30 April 2014

Staff scheme

These disclosures have been based on an updated actuarial valuation conducted by a qualified independent actuary on a full actuarial valuation as at 31 March 2012.

Contributions payable to the pension scheme at the end of the year are £nil (2013 - £nil).

The total contributions in the next year are expected to be 10% of pensionable salaries.

Principal actuarial assumptions

The principal actuarial assumptions at the balance sheet date are as follows:

	2014 %	2013 %
Discount rate	4.20	4.00
Future salary increases	4.15	3.95
Inflation	3.40	3.20

Post retirement mortality assumptions

	2014 Years	2013 Years
Current pensioners at retirement age - male	22	22
Current pensioners at retirement age - female	24	24
Future pensioners at retirement age - male	24	24
Future pensioners at retirement age - female	27	27

Reconciliation of scheme assets and liabilities to assets and liabilities recognised

The amounts recognised in the balance sheet are as follows:

	2014 £	2013 £
Fair value of scheme assets	23,812,000	21,435,000
Present value of scheme liabilities	(21,833,000)	(20,657,000)
	1,979,000	778,000
Other amounts not recognised in the balance sheet	(1,979,000)	(778,000)
Net asset/(liability) in the balance sheet	-	-

Imperial London Hotels Group Limited
Notes to the Financial Statements
Year Ended 30 April 2014

Scheme assets

Changes in the fair value of scheme assets are as follows:

	2014 £	2013 £
Fair value at start of year	21,435,000	17,576,000
Expected return on assets	1,259,000	1,086,000
Actuarial gains and losses	(194,000)	1,681,000
Employer contributions	1,982,000	1,856,000
Benefits paid	(670,000)	(764,000)
Fair value at end of year	<u>23,812,000</u>	<u>21,435,000</u>

Analysis of assets

The major categories of scheme assets are as follows:

	2014 £	2013 £
Equity instruments	17,172,000	16,494,000
Debt instruments	1,820,000	1,971,000
Property	69,000	53,000
Cash	4,608,000	2,769,000
Other assets	143,000	148,000
	<u>23,812,000</u>	<u>21,435,000</u>

Actual return on scheme's assets

	2014 %	2013 %
Actual return on scheme assets	<u>5</u>	<u>15</u>

The overall expected return on assets assumption is derived as the weighted average of the expected returns from each of the main asset classes.

Imperial London Hotels Group Limited
Notes to the Financial Statements
Year Ended 30 April 2014

Scheme liabilities

Changes in the present value of scheme liabilities are as follows:

	2014 £	2013 £
Present value at start of year	20,657,000	17,250,000
Current service cost	1,080,000	827,000
Actuarial gains and losses	(68,000)	2,549,000
Interest cost	834,000	795,000
Benefits paid	(670,000)	(764,000)
Present value at end of year	<u>21,833,000</u>	<u>20,657,000</u>
Analysed as:		
Present value arising from wholly or partly funded schemes	<u>(21,833,000)</u>	<u>(20,657,000)</u>

Amounts recognised in the profit and loss account

	2014 £	2013 £
Amounts recognised in operating profit		
Current service cost	<u>1,080,000</u>	<u>827,000</u>
Recognised in arriving at operating profit	<u>1,080,000</u>	<u>827,000</u>
Amounts recognised in other finance cost		
Interest cost	834,000	795,000
Expected return on scheme assets	(1,259,000)	(1,086,000)
Recognised in other finance cost	<u>(425,000)</u>	<u>(291,000)</u>
Total recognised in the profit and loss account	<u>655,000</u>	<u>536,000</u>

Imperial London Hotels Group Limited
Notes to the Financial Statements
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Amounts recognised in the statement of total recognised gains and losses

	2014 £	2013 £
Actual return less expected return on scheme assets	(126,000)	(868,000)
Effect of FRS 17 paragraph 41	(1,201,000)	(452,000)
Actuarial gains and losses recognised in the Statement of Total Recognised Gains and Losses	<u>(1,327,000)</u>	<u>(1,320,000)</u>

The cumulative amount of actuarial gains and losses recognised in the statement of total recognised gains and (losses) since 1 January 2002 is (£5,312,000) (2013 - (£3,985,000)).

History of experience adjustments on scheme assets and liabilities

Amounts for the current and previous 4 periods are as follows:

	2014 £	2013 £	2012 £	2011 £	2010 £
Fair value of scheme assets	23,812,000	21,435,000	17,576,000	17,004,000	15,253,000
Present value of scheme liabilities	<u>(21,833,000)</u>	<u>(20,657,000)</u>	<u>(17,250,000)</u>	<u>(16,105,000)</u>	<u>(15,060,000)</u>
Surplus in scheme	<u>1,979,000</u>	<u>778,000</u>	<u>326,000</u>	<u>899,000</u>	<u>193,000</u>
Experience adjustments:					
	2014 £	2013 £	2012 £	2011 £	2010 £
Experience adjustments arising on scheme assets	<u>(194,000)</u>	<u>1,681,000</u>	<u>(1,723,000)</u>	<u>483,000</u>	<u>2,398,000</u>

Imperial London Hotels Group Limited

Notes to the Financial Statements

Year Ended 30 April 2014

19 Related party transactions

During the year the group was loaned £1,716,233 (2013 - loaned £2,188,577) by the directors and shareholders. The balance of these loans at the year end, included within other loans, was £4,647,047 (2013 - £2,930,814).

During the year the group repaid £2,000,000 (2013 - repaid £2,000,000) of the loan from The Imperial London Hotels Executive Pension Scheme. Interest is accrued daily at a rate of 1.5% per annum and is payable on the date of the anniversary of the loan agreement. The balance of the loan is repayable in four equal instalments on the anniversary date of the loan agreement. At the balance sheet date the amount due to The Imperial London Hotels Executive Pension Scheme was £4,000,000 (2013 - £6,000,000).

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

20 Control

The company is controlled by the directors who own 100% of the issued share capital. The directors are the ultimate controlling party of the company and the group.

21 Analysis of net debt

	At 1 May 2013 £	Cash flow £	Other non-cash changes £	At 30 April 2014 £
Cash at bank and in hand	24,951,247	(11,647,118)	-	13,304,129
Bank overdraft	(33,570)	(20,113)	-	(53,683)
	24,917,677	(11,667,231)	-	13,250,446
Debt due within one year	(11,277,430)	(1,979,638)	(116,968)	(13,374,036)
Debt due after more than one year	(47,737,951)	1,925,625	-	(45,812,326)
Net debt	(34,097,704)	(11,721,244)	(116,968)	(45,935,916)