

Company Registration No 2954321 (England and Wales)

**ST GILES HOTEL LIMITED**  
**ANNUAL REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

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# ST GILES HOTEL LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Robert Tan Seng Yong Chua Stephen Noar Rendle De Mello Chin Beng Oh
<b>Secretary</b>	Boodle Hatfield Secretarial Limited
<b>Company number</b>	2954321
<b>Registered office</b>	Bedford Avenue London WC1B 3AS
<b>Registered auditors</b>	RSM Tenon Audit Limited 66 Chiltern Street London W1U 4JT
<b>Business address</b>	Bedford Avenue London WC1B 3AS

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# **ST GILES HOTEL LIMITED**

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# **ST GILES HOTEL LIMITED**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010**

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The directors present their report and financial statements for the year ended 31 December 2010

### **Directors**

The following directors have held office since 1 January 2010

Robert Tan  
Seng Yong Chua  
Stephen Noar  
Rendle De Mello  
Chin Beng Oh

### **Principal activities and review of the business**

The principal activity of the group during the year was operating hotels

This is the first year that the company has been required to prepare consolidated accounts. The company's subsidiary, St Giles Hotel LLC, operates a hotel in New York which started to trade in April 2010

At the year end the group had shareholders funds of £13 598m (2009 £14 368m)

The directors consider that the performance of both hotels has been satisfactory

The directors have assessed the main risk facing the company as being the intensely competitive markets within which the hotels operate. The directors believe that the increase in room revenues in the hotels during the year is a mark of their success in monitoring this environment

The directors believe that the quality of our product and customer service will help mitigate competitive risks and hope to see continued growth and satisfactory trading results in the coming year

### **Results and dividends**

The profit and loss account for the year is set out on page 5

### **Financial risk and management objectives and policies**

As well as operational bank accounts, the group has taken out a bank loan in order to set up the New York operation. The loan is in US dollars and St Giles Hotel LLC trades in US dollars, hence the directors have taken steps to mitigate any resulting foreign currency exposure

The principal risk associated with the bank loan is that the group may not be able to meet the repayment terms. The directors address this risk by preparing cash flow forecasts based on prudent levels of occupancy and resulting revenues and therefore consider that the group will be able to repay its loan

# ST GILES HOTEL LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010

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### Directors' responsibilities

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 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 company and of the group 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 then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are, individually, aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

### Auditors

In accordance with the company's articles, a resolution proposing that RSM Tenon Audit Limited be reappointed as auditors of the company will be put at a General Meeting.

On behalf of the board



S Noar  
Director

Date 28 April 2011

# **ST GILES HOTEL LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ST GILES HOTEL LIMITED**

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We have audited the financial statements of St Giles Hotel Limited for the year ended 31 December 2010 on pages 5 to 20. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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 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 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'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.

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2010 and of the group's loss 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# ST GILES HOTEL LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ST GILES HOTEL LIMITED

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### 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

Malcolm Pirouet (Senior Statutory Auditor)  
for and on behalf of RSM Tenon Audit Limited

Date 5 May 2011

Statutory Auditor RSM Tenon Audit Limited

66 Chiltern Street  
London  
W1U 4JT

# ST GILES HOTEL LIMITED

## GROUP PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2010

		2010	2009
	Notes	£'0000	£'0000
Turnover	2	17,653	16,743
Turnover attributable to acquisitions		11,166	-
		<u>28,819</u>	<u>16,743</u>
Cost of sales		(12,572)	(5,175)
Gross profit		<u>16,247</u>	<u>11,568</u>
Administrative expenses		(16,895)	(11,127)
Other operating income	3	1,516	1,653
		<u>2,359</u>	<u>2,094</u>
Operating profit	4	2,359	2,094
Operating profit attributable to acquisitions		(1,491)	-
		<u>868</u>	<u>2,094</u>
Interest receivable		206	87
Interest payable	5	(1,290)	-
		<u>(216)</u>	<u>2,181</u>
(Loss)/Profit on ordinary activities before taxation		(216)	2,181
Tax on (loss)/profit on ordinary activities	6	(613)	(111)
(Loss)/Profit for the financial year		<u>(829)</u>	<u>2,070</u>

The profit and loss account has been prepared on the basis that all operations are continuing operations

The group has no recognised gains or losses other than the results for the year as set out above



# ST GILES HOTEL LIMITED

## GROUP STATEMENT OF RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 DECEMBER 2010

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	2010 £'000	2009 £'000
(Loss)/profit for the financial year	(829)	2,070
Currency translation differences on foreign currency net investments	59	-
	<hr/>	<hr/>
Total recognised gains and losses relating to the year	(770)	2,070
	<hr/>	<hr/>

# ST GILES HOTEL LIMITED

## GROUP BALANCE SHEET AS AT 31 DECEMBER 2010

		2010	2009
	Notes	£'000	£'000
<b>Fixed assets</b>			
Tangible assets	8	59,387	6,986
Investments	9	88	88
		<u>59,475</u>	<u>7,074</u>
<b>Current assets</b>			
Stocks	10	183	204
Debtors	11	3,867	7,636
Cash at bank		4,887	6,274
		<u>8,937</u>	<u>14,114</u>
<b>Creditors: amounts falling due within one year</b>	13	(9,175)	(6,820)
		<u>(238)</u>	<u>7,294</u>
<b>Net current assets</b>			
<b>Total assets less current liabilities</b>		<u>59,237</u>	<u>14,368</u>
<b>Creditors: amounts falling due after one year</b>	14	(45,639)	-
<b>NET ASSETS</b>		<u>13,598</u>	<u>14,368</u>
<b>Capital and reserves</b>			
Called up share capital	15	555	555
Share premium account	16	127	127
Foreign exchange reserve	16	59	-
Profit and loss account	16	12,537	13,366
Other reserves	16	320	320
		<u>13,598</u>	<u>14,368</u>
<b>SHAREHOLDERS' FUNDS</b>	17	<u>13,598</u>	<u>14,368</u>

Approved by the Board and authorised for issue on

28 April 2011

*Stephen Noar*

Stephen Noar  
Director

Company registration no 2954321

# ST GILES HOTEL LIMITED

## COMPANY BALANCE SHEET AS AT 31 DECEMBER 2010

	Notes	2010 £'000	2009 £'000
<b>Fixed assets</b>			
Tangible assets	8	6,661	6,986
Investments	9	21,325	88
		<u>27,986</u>	<u>7,074</u>
<b>Current assets</b>			
Stocks	10	105	204
Debtors	11	7,971	7,636
Cash at bank		4,457	6,274
		<u>12,533</u>	<u>14,114</u>
<b>Creditors: amounts falling due within one year</b>	13	(4,988)	(6,820)
		<u>7,545</u>	<u>7,294</u>
<b>Net current assets</b>			
		<u>35,531</u>	<u>14,368</u>
<b>Total assets less current liabilities</b>			
		<u>(19,779)</u>	<u>-</u>
<b>Creditors, amounts falling due after one year</b>	14		
<b>NET ASSETS</b>		<u>15,752</u>	<u>14,368</u>
<b>Capital and reserves</b>			
Called up share capital	15	555	555
Share premium account	16	127	127
Other reserves	16	320	320
Profit and loss account	16	14,750	13,366
		<u>15,752</u>	<u>14,368</u>
<b>SHAREHOLDERS' FUNDS</b>	17		
		<u>15,752</u>	<u>14,368</u>

Approved by the Board and authorised for issue on

28 April 2011

*Stephen Noar*

Stephen Noar  
Director

Company registration no 2954321

# ST GILES HOTEL LIMITED

## GROUP CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2010

	2009	2008
	£'000	£'000
<b>Net cash inflow from operating activities</b>	8,411	1,244
<b>Returns on investments and servicing of finance</b>		
Interest received	206	87
Interest paid	(1,290)	-
<b>Net cash outflow for returns on investments and servicing of finance</b>	(1,084)	87
<b>Taxation</b>	(1,009)	(463)
<b>Capital expenditure and financial investment</b>		
Payments to acquire tangible assets	(53,344)	(400)
<b>Net cash outflow for capital expenditure</b>	(53,344)	(400)
<b>Net cash (outflow)/inflow before management of liquid resources and financing</b>	(47,026)	468
<b>Financing</b>		
New long term bank loans	37,495	-
Other new loans	8,144	-
<b>Net cash (outflow)/inflow from financing</b>	45,639	-
<b>Decrease in cash in the year</b>	(1,387)	(468)

# ST GILES HOTEL LIMITED

## NOTES TO THE GROUP CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2010

### 1 Reconciliation of operating result to net cash inflow from operating activities

	2010 £'000	2009 £'000
Operating profit	868	2,094
Depreciation of tangible assets	943	906
Decrease/(Increase) in stocks	21	(40)
Decrease/(Increase) in debtors	3,839	(4,636)
Increase/(Decrease) in creditors within one year	2,681	2,920
Exchange movement on reserves	59	-
<b>Net cash inflow from operating activities</b>	<b>8,411</b>	<b>1,244</b>

### 2 Analysis of net debt

	1 January 2010 £'000	Cash flow £'000	Other non- cash changes £'000	31 December 2010 £'000
Net cash				
Cash at bank and in hand	6,274	(1,387)	-	4,887
Bank overdrafts	-	-	-	-
	<b>6,274</b>	<b>(1,387)</b>	<b>-</b>	<b>4,887</b>
Debts falling due within one year				
Debts falling due after one year		(45,639)		(45,639)
		<b>(45,639)</b>		<b>(45,639)</b>
<b>Net debt</b>	<b>6,274</b>	<b>(47,026)</b>		<b>(40,752)</b>

### 3 Reconciliation of net cash flow to movement in net debt

	2010 £'000	2009 £'000
Decrease in cash in the year	(1,387)	468
Cash inflow from increase in debt	(45,639)	-
<b>Movement in net debt in the year</b>	<b>(47,026)</b>	<b>468</b>
Opening net debt	6,274	5,807
<b>Closing net debt</b>	<b>(40,752)</b>	<b>6,275</b>

# ST GILES HOTEL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

#### 1.2 Compliance with accounting standards

The accounts have been prepared in accordance with applicable accounting standards (United Kingdom Generally Accepted Accounting Practice) which have been applied consistently (except as otherwise stated)

#### 1.3 Basis of consolidation

The group profit and loss account and balance sheet include the financial statements of the company and its subsidiary made up to 31 December 2010. The results of subsidiaries sold or acquired are included in the profit and loss account up to, or from, the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

#### 1.4 Turnover

Turnover represents amounts receivable for goods and services net of VAT and overseas sales taxes and trade discounts.

#### 1.5 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Leasehold improvements	15 years
Fixtures and fittings	5 – 10 years
Motor vehicles	3 years

#### 1.6 Investment properties

In accordance with Statement of Standard Accounting Practice 19 investment properties are revalued annually and the aggregate surplus or deficit is transferred to a revaluation reserve. No depreciation or amortisation is provided in respect of freehold investment properties or leasehold investment properties with over 20 years to expiry. The directors consider that this accounting policy results in the financial statements giving 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.

#### 1.7 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligations outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### 1.8 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

#### 1.9 Stock and work in progress

Stock is valued at the lower of cost and net realisable value.

# ST GILES HOTEL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

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### Accounting policies (Continued)

#### 1.10 Deferred taxation

Deferred tax is provided in full on timing differences that result in an obligation at the balance sheet date to pay tax, or a right to pay tax, at a future date, at rates expected to apply when they crystallise based on current rates and laws. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different to those in which they are included in the financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no binding contract to dispose of those assets. Deferred tax assets are recognised to the extent that is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

#### 1.11 Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Non-monetary assets and liabilities and transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

The results of subsidiaries whose functional currency is not sterling have been translated at the average rate for the year, while their assets and liabilities have been translated at the rate ruling at the balance sheet date. Any exchange differences arising on the retranslation of opening net assets are taken directly to reserves.

#### 1.12 Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

### 2 Turnover

The turnover and profit before taxation are attributable to the one principal activity of the group, that of operating hotels.

An analysis of turnover is given below:

	2010 £'000	2009 £'000
United Kingdom	17,653	16,743
USA	11,166	-
	<hr/>	<hr/>
	28,819	16,743
	<hr/>	<hr/>

### 3 Other operating income

	2010 £'000	2009 £'000
Other operating income	1,516	1,653
	<hr/>	<hr/>

# ST GILES HOTEL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

### 4 Operating profit

	2010 £'000	2009 £'000
Operating profit is stated after charging		
Depreciation of tangible assets	943	906
Operating lease rentals		
- Plant and machinery	26	23
- Other assets	5,746	5,855
Auditors' remuneration	35	18
Remuneration of auditors for non-audit work	71	11

### 5 Interest payable

	2010 £'000	2009 £'000
On bank loans	1,025	-
On other loans	265	-
	1,290	-

### 6 Taxation

	2010 £'000	2009 £'000
<b>Domestic current year tax</b>		
U K corporation tax	695	711
Adjustment for prior years	(12)	(22)
	683	689
<b>Deferred tax</b>		
Deferred tax charge	(70)	(578)
	613	111
<b>Factors affecting the tax charge for the year</b>		
Profit on ordinary activities before taxation	(216)	2,181
Profit on ordinary activities by rate of tax	(60)	610
Depreciation in excess of capital allowances	121	101
Overprovision in prior year	(12)	(22)
Disallowable expenditure	15	-
Losses carried forward	619	-
	683	689

### 7 Result for the financial year

As permitted by section 408 of the Companies Act 2006, the holding company's profit and loss account has not been included in these financial statements

The result for the financial year is made up as follows

	2010 £'000	2009 £'000
Holding company's profit for the financial year	1,384	2,181



# ST GILES HOTEL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

### GROUP

#### 8 Tangible fixed assets

Cost	Leasehold improvements £'000	Fixtures, fittings and equipment £'000	Motor vehicles £'000	Construction £'000	Investment property £'000	Freehold property £'000	Total £'000
At 1 January 2010	9,200	4,024	186	107	230	-	13,747
Additions	1,710	709	58	3	-	50,959	53,439
Transfers	75	29	-	(104)	-	-	-
Foreign exchange movement	(6)	(2)	-	-	-	(87)	(95)
At 31 December 2010	10,979	4,760	244	6	230	50,872	67,091
<b>Depreciation</b>							
At 1 January 2010	4,201	2,436	124	-	-	-	6,761
Charge for the year	623	292	28	-	-	-	943
At 31 December 2010	4,824	2,728	152	-	-	-	7,704
<b>Net book value</b>							
At 31 December 2010	6,155	2,032	92	6	230	50,872	59,387
At 31 December 2009	4,999	1,588	62	107	230	-	6,986

The Investment properties were valued on an open market existing use basis by the directors as at £0 23m (2009 £0 23m)

The carrying amount of the above property under the historical cost basis would be £0 23m (2009 £0 23m)

# ST GILES HOTEL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

### COMPANY (Continued)

#### Tangible fixed assets

Cost	Leasehold improvements £'000	Fixtures, fittings and equipment £'000	Motor vehicles £'000	Construction £'000	Investment property £'000	Total £'000
At 1 January 2010	9,200	4,024	186	107	230	13,747
Additions	319	248	48	3	-	618
Transfers	75	29	-	(104)	-	-
At 31 December 2010	9,594	4,301	234	6	230	14,365
Depreciation						
At 1 January 2010	4,201	2,436	124	-	-	6,761
Charge for the year	623	292	28	-	-	943
At 31 December 2010	4,824	2,728	152	-	-	7,704
Net book value						
At 31 December 2010	4,770	1,573	82	6	230	6,661
At 31 December 2009	4,999	1,588	62	107	230	6,986

The investment properties were valued on an open market existing use basis by the directors at £0 23m (2009 £0 23m)  
The carrying amount of the above property under the historical cost basis would be £0 23m (2009 £0 23m)

# ST GILES HOTEL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

### 9 Investments

	Group 2010 £'000	Company 2009 £'000
<b>Cost or valuation</b>		
At 1 January 2009	88	88
Additions	-	21,237
<b>Net book value</b>		
At 31 December 2010	88	21,325

The principal subsidiary undertakings are listed below. Unless otherwise shown the share capital of each company is wholly owned by St Giles Hotel Limited and is in ordinary shares.

	% of equity beneficially owned	Nature of business	Country of incorporation
St Giles Hotel LLC	100%	Hotel management	USA
St Giles Hotel Inc (North America)	100%	Dormant holding company	USA

### 10 Stock

	Group		Company	
	2010 £'000	2009 £'000	2010 £'000	2009 £'000
Stock	122	93	44	93
Bonded wine	61	111	61	111
	<u>183</u>	<u>204</u>	<u>105</u>	<u>204</u>

### 11 Debtors

	Group		Company	
	2010 £'000	2009 £'000	2010 £'000	2009 £'000
Trade debtors	1,251	973	823	973
Amounts owed by group undertakings	-	-	5,169	5,031
Other debtors	1,401	6,306	1,302	1,275
Prepayments and accrued income	933	145	395	145
Deferred taxation (note 12)	282	212	282	212
	<u>3,867</u>	<u>7,636</u>	<u>7,971</u>	<u>7,636</u>

# ST GILES HOTEL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2009

### 12 Deferred taxation

The deferred taxation included in the balance sheet is as follows -

	2010 £'000	2009 £'000
Included in debtors	282	212

The movement in the deferred taxation account during the year was -

	2010 £'000	2009 £'000
At 1 January 2010	212	(366)
Profit and loss account movement arising during the year	70	578
At 31 December 2010	282	212

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of -

	2010 £'000	2009 £'000
Excess of depreciation over taxation allowances	282	212

Deferred tax arising on losses in the group's US subsidiary undertaking for the period have not been recognised due to the inability to accurately assess its value and due to current uncertainty surrounding its recoverability

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

	Group		Company	
	2010 £'000	2009 £'000	2010 £'000	2009 £'000
Trade creditors	1,459	554	605	554
Amounts owed by group undertakings	-	-	-	2
Corporation tax	384	710	384	710
Other taxes and social security costs	1,402	655	535	655
Other creditors	2,433	23	374	21
Accruals and deferred income	3,497	4,878	3,090	4,878
	9,175	6,820	4,988	6,820

# ST GILES HOTEL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

### 14 Creditors: amounts falling due after one year

	Group		Company	
	2010 £'000	2009 £'000	2010 £'000	2009 £'000
Loans	8,144	-	8,144	-
Bank loans	37,495	-	11,635	-
	<u>45,639</u>	<u>-</u>	<u>19,779</u>	<u>-</u>

#### Loan maturity analysis:

	Group		Company	
	2010 £'000	2009 £'000	2010 £'000	2009 £'000
Repayment more than 2 years but not more than 5 year	45,639	-	19,779	-
Repayment more than 5 years	-	-	-	-
	<u>45,639</u>	<u>-</u>	<u>19,779</u>	<u>-</u>

The bank loan is interest bearing and is secured by way of a fixed charge over the property and a floating charge over the remaining assets of the group. The loan is due for repayment in 2015.

The loan of £8,144,000 is from a related party, Ravencroft Investments Limited (see note 21, related parties). The loan is interest bearing and is an arms length transaction.

### 15 Share capital

	Company	
	2010 £'000	2009 £'000
<b>Authorised</b>		
850,000 Ordinary shares of £1 each	<u>850</u>	<u>850</u>
<b>Allotted, called up and fully paid</b>		
555,420 Ordinary shares of £1 each	<u>555</u>	<u>555</u>

# ST GILES HOTEL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

### 16 Statement of movements on reserves - Group

	Share premium account £'000	Capital redemption reserve £'000	Foreign exchange reserve £'000	Profit and loss account £'000
Balance at 1 January 2010	127	320	-	13,366
Loss for the year	-	-	-	(829)
Foreign exchange movement on reserves	-	-	59	-
	<u>127</u>	<u>320</u>	<u>59</u>	<u>12,537</u>
Balance at 31 December 2010	127	320	59	12,537

### Company

	Share premium account £'000	Capital redemption reserve £'000	Profit and loss account £'000
Balance at 1 January 2010	127	320	13,366
Profit for the year	-	-	1,384
	<u>127</u>	<u>320</u>	<u>14,750</u>
Balance at 31 December 2010	127	320	14,750

### 17 Reconciliation of movements in shareholders' funds

	Group		Company	
	2010 £'000	2009 £'000	2010 £'000	2009 £'000
(Loss)/profit for the financial year	(829)	2,070	1,384	2,070
Other recognised gains and losses	59	-	-	-
Opening shareholders' funds	14,368	12,298	14,368	12,298
	<u>13,598</u>	<u>14,368</u>	<u>15,752</u>	<u>14,368</u>
Closing shareholders' funds	13,598	14,368	15,752	14,368

### 18 Financial commitments

At 31 December 2010, the group had annual commitments under non-cancellable operating leases as follows

	2010 £'000	2009 £'000
Land and buildings		
Expiry date:		
In over five years	3,673	3,673

# ST GILES HOTEL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

### 19 Employees

#### Number of employees

The average monthly number of employees (excluding directors) during the year was

	2010 Number	2009 Number
Number of hotel staff	285	51
Number of administrative staff	78	117
	<hr/> 363	<hr/> 168
	<hr/>	<hr/>
	2010 £'000	2009 £'000
Employment costs		
Wages and salaries	8,014	3,368
Social security costs	2,570	300
Other pension costs	52	52
	<hr/> 10,636	<hr/> 3,720
	<hr/>	<hr/>
	2010 £'000	2009 £'000
Directors' remuneration		
Aggregate remuneration	98	108
Pension contributions	10	10
	<hr/> 108	<hr/> 118
	<hr/>	<hr/>

### 20 Acquisitions

During the period, the company acquired its subsidiary at a time when its net assets were \$2. No assets or liabilities were obtained other than the share capital of \$2.

### 21 Related party transactions

During the year, the company was charged rent of £5,745,551 (2009 £480,055) by Ravencroft Investments Incorporated, a company whose shareholders are substantially the same as those of St Giles Hotel Limited.

At the balance sheet date the amount due to Ravencroft Investment Incorporated was £2,326,371 (2009 £779,104) in respect of rent. A loan of \$12,600,000 is also due at the balance sheet date and is included in creditors due after one year. Interest of £264,834 has been charged on this loan during the period.

The company has taken advantage of the exemption under FRS8 related parties to not disclose transactions with other group companies on the basis that group accounts are prepared. All other related party transactions have been disclosed.

### 22 Control

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## **ST GILES HOTEL LIMITED**

No individual shareholder owns a controlling interest in the shares of the company