

Co. House

Company number: 4205711

NOTTINGHAM PARK PLAZA HOTEL OPERATOR LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2009

SATURDAY



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NOTTINGHAM PARK PLAZA HOTEL OPERATOR LIMITED
Company number: 4205711

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NOTTINGHAM PARK PLAZA HOTEL OPERATOR LIMITED

Company number: 4205711

COMPANY INFORMATION

DIRECTOR

RED SEA GROUP MANAGEMENT BV

SECRETARY

BRINDLEY GOLDSTEIN LIMITED

REGISTERED OFFICE

**103 HIGH STREET
WALTHAM CROSS
HERTS
EN8 7AN**

COMPANY NUMBER

4205711

REGISTERED AUDITORS

**MAZARS LLP
THE ATRIUM
PARK STREET WEST
LUTON
BEDFORDSHIRE
LU1 3BE**

BANKERS

**NATWEST BANK PLC
BANK OF SCOTLAND**

NOTTINGHAM PARK PLAZA HOTEL OPERATOR LIMITED

Company number: 4205711

REPORT OF THE DIRECTOR

The director presents his report together with the audited financial statements for the year ended 31 December 2009

Statement of director's responsibilities

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

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is required to

- select suitable accounting policies and then apply them consistently,
- make judgments and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activities

Its principal activity is the operation of a hotel property.

Directors

The director of the company during the period was

Red Sea Group Management BV

The director had no disclosable direct beneficial interest in the company's shares or any other group company during the period.

Review of the business and future development

The Company's turnover has fallen by £1,296,084 in the year, a reduction of 12% on the performance in the prior year. The hotel has incurred a higher retained loss this year at £1,385,204 (2008: £714,461), this is a result of the reduction in revenue as expenditure has largely been consistent with 2008. The gross profit percentage is 27.3% compared to 31.4% in the prior year.

NOTTINGHAM PARK PLAZA HOTEL OPERATOR LIMITED

Company number: 4205711

REPORT OF THE DIRECTOR (continued)

Review of the business and future development (continued)

In summary the key performance indicators that we use to monitor business performance are as follows

- Turnover growth,
- Occupancy rates,
- Average room rate (ARR),
- Revenue per available room (REVPAR)

We do not believe there to be any significant risks and uncertainties facing our business, other than those normally encountered within our industry

Financial instruments

a. Treasury operations

The Company has no borrowings and so its principal instruments are cash balances. In addition the Company has various other financial assets and liabilities such as trade debtors and trade creditors arising directly from the operations of the business.

b. Liquidity risk

The Company manages its cash requirements centrally to maximise interest income and minimise interest expense, whilst ensuring that the Company has sufficient liquid resources to meet the operating needs of its business.

c. Interest rate risk

The Company is exposed to fair value interest rate risk on its bank overdraft facility only.

d. Foreign currency risk

At the year end there were no commitments to forward purchase any foreign currency.

e. Credit risk

Investments of cash surpluses are made with the Company's main bankers. Receivable balances are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

Results and dividends

The results for the year are set out on page 7.

NOTTINGHAM PARK PLAZA HOTEL OPERATOR LIMITED

Company number: 4205711

REPORT OF THE DIRECTOR (continued)

Creditor payment policy

The company's current policy concerning the payment of trade creditors is to

- settle the terms of payment with suppliers when agreeing the terms of each transaction,
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts, and
- pay in accordance with the company's contractual and other legal obligations

Disclosure of information to auditors

So far as the director is aware

- there is no relevant audit information of which the company's auditors are unaware, and
- he has taken all the steps that he ought to have taken as director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information, and taken such other steps for that purpose, as were required by his duty as director of the company to exercise due care, skill and diligence

Auditors

In accordance with the Companies Act 2006, Mazars LLP will remain in office

Approved by the Board on 7 JUNE 2010
and signed on its behalf by



Red Sea Group Management B V.

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF NOTTINGHAM PARK PLAZA HOTEL OPERATOR LIMITED**

We have audited the financial statements of Nottingham Park Plaza Hotel Operator Limited (company number 4205711) for the year ended 31 December 2009 which comprise the Profit and Loss Account, the Balance Sheet, Cash Flow statement and the related notes. 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).

Respective responsibilities of directors and auditors

As explained more fully in the Director's Responsibilities set out on page 2 the director is responsible for the preparation of 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 (APB's) Ethical Standards for Auditors. This report, including our opinion, has been prepared for and only for 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/UKNP.

Opinion on the 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 2009 and of its 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 the other matters prescribed by the Companies Act 2006

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

INDEPENDENT AUDITORS' REPORT (continued)
TO THE MEMBERS OF NOTTINGHAM PARK PLAZA HOTEL OPERATOR LIMITED

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

mazars LLP

Mazars LLP, Chartered Accountants (Statutory auditor)
Lee Brook (Senior statutory auditor)

The Atrium
Park Street West
Luton
Bedfordshire LU1 3BE

Date 11 JUNE 2010

NOTTINGHAM PARK PLAZA HOTEL OPERATOR LIMITED

Company number: 4205711

PROFIT AND LOSS ACCOUNT**FOR THE YEAR ENDED 31 DECEMBER 2009**

	Note	2009 £	2008 £
Turnover	1	9,523,413	10,819,497
Cost of sales		(6,925,049)	(7,422,076)
Gross profit		2,598,364	3,397,421
Administrative expenses		(3,896,501)	(3,985,787)
Operating loss	3	(1,298,137)	(588,366)
Interest receivable and similar income	6	-	6,059
Interest payable and similar charges	7	(87,067)	(132,154)
Loss on ordinary activities before taxation		(1,385,204)	(714,461)
Taxation on loss from ordinary activities	8	-	-
Loss on ordinary activities after taxation			
being retained loss for the period	13	(1,385,204)	(714,461)

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

There are no recognised gains or losses other than those passing through the profit and loss account

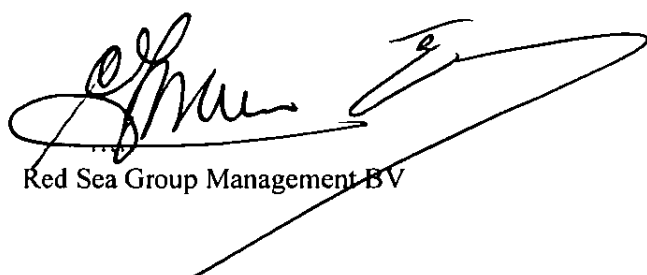
NOTTINGHAM PARK PLAZA HOTEL OPERATOR LIMITED

Company number: 4205711

BALANCE SHEET**AT 31 DECEMBER 2009**

	Note	£	2009 £	£	2008 £
Current assets					
Stocks	9	107,528		101,212	
Debtors	10	606,604		607,397	
Cash at bank		46,862		51,409	
		<u>760,994</u>		<u>760,018</u>	
Creditors: amounts falling due within one year	11	<u>(8,248,168)</u>		<u>(6,861,988)</u>	
Net current liabilities			<u>(7,487,174)</u>		<u>(6,101,970)</u>
			<u>(7,487,174)</u>		<u>(6,101,970)</u>
Capital and reserves					
Called up share capital	12		2		2
Profit and loss account	13		<u>(7,487,176)</u>		<u>(6,101,972)</u>
Shareholders' funds	14		<u>(7,487,174)</u>		<u>(6,101,970)</u>

Approved by the Board on 7 JUNE 2010
and signed on its behalf by



Red Sea Group Management BV

NOTTINGHAM PARK PLAZA HOTEL OPERATOR LIMITED

Company number: 4205711

CASH FLOW STATEMENT**FOR THE YEAR ENDED 31 DECEMBER 2009**

		2009		2008	
	Notes	£	£	£	£
Cash inflow/(outflow) from operating activities					
Net cash inflow/(outflow)	A		141,001		(34,464)
Returns on investments and servicing of finance					
Interest received		-		6,059	
Interest paid		(87,067)		(132,154)	
			(87,067)		(126,095)
Taxation			-		-
Capital expenditure			-		-
Equity dividends paid			-		-
Net cash inflow/(outflow) before financing	B		53,934		(160,559)
Management of liquid resources and financing			-		-
Increase/(decrease) in cash			53,934		(160,559)

NOTTINGHAM PARK PLAZA HOTEL OPERATOR LIMITED
Company number: 4205711

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2009

A Reconciliation of operating loss to net cash flows from operating activities

	2009	2008
	£	£
Operating loss	(1,298,137)	(588,366)
(Increase)/decrease in stocks	(6,316)	5,796
Decrease in debtors	793	261,122
Increase in creditors	1,444,661	286,984
	<u>141,001</u>	<u>(34,464)</u>
Net cash inflow/(outflow) from operating activities	<u>141,001</u>	<u>(34,464)</u>

Analysis of changes in net debt

	At 1		At 31
	January	Cash flows	December
	2009		2009
	£	£	£
Cash at bank and in hand	51,409	(4,547)	46,862
Bank overdraft	(104,524)	58,481	(46,043)
	<u>(53,115)</u>	<u>53,934</u>	<u>819</u>

B Reconciliation of net cash flow to movement in net debt

	2009	2008
	£	£
Increase/(decrease) in cash in the year	53,934	(160,559)
Change in net cash resulting from cash flows	53,934	(160,559)
Net cash at 1 January	(53,115)	107,444
	<u>819</u>	<u>(53,115)</u>
Net cash at 31 December	<u>819</u>	<u>(53,115)</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2009

1 Accounting policies

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

The following principal accounting policies have been applied

a) Basis of preparation

The director has prepared the accounts on the going concern basis as the amounts owed to related parties will not be called for payment until such time as the company is in a position to meet its external obligations

b) Turnover

Turnover represents the amounts invoiced, excluding value added tax, in respect of the sale of goods and related services to customers. All of the turnover is derived from UK operations

c) Stock

Stock is stated at the lower of cost and net realisable value

d) Deferred taxation

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date 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. 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 is not provided on the revaluation of fixed assets. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted

e) Operating leases

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

f) Pension contributions

Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate

g) Foreign currencies

Transactions denominated in foreign currencies are translated into the functional currency at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date. These translation differences are dealt with in the profit and loss account

NOTTINGHAM PARK PLAZA HOTEL OPERATOR LIMITED

Company number: 4205711

NOTES TO THE FINANCIAL STATEMENTS**FOR THE YEAR ENDED 31 DECEMBER 2009****2 Segmental information**

The company operates in the UK and the whole of its turnover is to the UK market

3 Operating loss	2009	2008
	£	£
This has been arrived at after charging		
Operating leases – rental of land and buildings	3,041,029	3,041,029
Auditors' remuneration	18,000	18,000
	<u> </u>	<u> </u>

4 Employees**Number of employees**

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

	2009	2008
	Number	Number
Management	17	26
Administration	7	9
Hotel staff	179	173
	<u> </u>	<u> </u>
	203	208
	<u> </u>	<u> </u>

Employment costs

	£	£
Wages and salaries	2,624,207	2,821,243
Social security costs	174,919	212,177
Other pension costs	688	-
	<u> </u>	<u> </u>
	2,799,814	3,033,420
	<u> </u>	<u> </u>

The company operates a defined contribution scheme for employees. The assets of the scheme are held in a separate trustee administered fund. The pension costs charge represents contributions payable by the company to the fund amounting to £688 (2008: £nil). There were no outstanding contributions at the year end (2008: £nil).

5 Directors

The company director did not receive any emoluments during either period in respect of their services to the company.

6 Interest receivable and similar income	2009	2008
	£	£
Bank interest	-	6,059
	<u> </u>	<u> </u>
	-	6,059
	<u> </u>	<u> </u>

NOTTINGHAM PARK PLAZA HOTEL OPERATOR LIMITED
Company number: 4205711

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2009

7	Interest payable and similar charges	2009	2008
		£	£
	Other interest	87,067	132,154
		<u>87,067</u>	<u>132,154</u>

8	Taxation	2009	2008
		£	£
	Current taxation		
	UK corporation tax charge for the year	-	-
	Total current tax	<u>-</u>	<u>-</u>

The standard rate of tax for the year, based on the UK standard rate of corporation tax, is 28% (2008 28.5%). The actual charge for the current and previous year exceeds the standard rate for the reasons set out in the following reconciliation.

	2009	2008
	£	£
Loss on ordinary activities before tax	(1,385,204)	(714,461)
Tax on loss on ordinary activities at standard rate	(387,857)	(203,621)
<i>Factors affecting the tax charge in the period</i>		
Unrelieved tax losses and other deductions arising in the period	387,857	203,621
Other short term timing differences	-	-
Total actual amount of current tax	<u>-</u>	<u>-</u>

9	Stocks	2009	2008
		£	£
	Goods for resale	68,091	61,775
	Consumables	39,437	39,437
		<u>107,528</u>	<u>101,212</u>

10	Debtors	2009	2008
		£	£
	Trade debtors	419,491	454,227
	Amounts owed by related companies (note 17)	21,250	21,250
	Prepayments	72,113	78,487
	Other debtors	93,750	53,433
		<u>606,604</u>	<u>607,397</u>

NOTTINGHAM PARK PLAZA HOTEL OPERATOR LIMITED
Company number: 4205711

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2009

11	Creditors: amounts falling due within one year	2009	2008
		£	£
	Bank overdraft	46,043	104,524
	Trade creditors	568,340	473,323
	Amounts owed to related parties (note 17)	6,921,252	5,460,532
	Social security and other taxes	137,772	214,446
	Accruals and deferred income	558,395	563,179
	Other creditors	16,366	45,984
		<u>8,248,168</u>	<u>6,861,988</u>
12	Share capital	2009	2008
		£	£
	Authorised		
	1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
	Issued and called up share capital		
	2 ordinary shares of £1 each	<u>2</u>	<u>2</u>
13	Statement of movements on profit and loss account		Profit and loss account £
	Balance at 1 January 2009		(6,101,972)
	Retained loss for the year		<u>(1,385,204)</u>
	Balance at 31 December 2009		<u>(7,487,176)</u>
14	Reconciliation of movements in shareholders' funds - equity	2009	2008
		£	£
	Loss for the period	<u>(1,385,204)</u>	<u>(714,461)</u>
	Net reduction to shareholders' funds	<u>(1,385,204)</u>	<u>(714,461)</u>
	Opening shareholders' funds	<u>(6,101,970)</u>	<u>(5,387,509)</u>
	Closing shareholders' funds	<u>(7,487,174)</u>	<u>(6,101,970)</u>

NOTTINGHAM PARK PLAZA HOTEL OPERATOR LIMITED

Company number: 4205711

NOTES TO THE FINANCIAL STATEMENTS**FOR THE YEAR ENDED 31 DECEMBER 2009****15 Operating lease commitments**

Annual payments arising under operating lease commitments due within the next twelve months	2009 £	2008 £
Land and buildings		
Leases expiring between one and five years	3,041,029	-
Lease expiring after more than five years	-	3,041,029
	<u>3,041,029</u>	<u>3,041,029</u>

The company has a lease with Hotel Nottingham Holdings BV for the rent of the hotel in Nottingham at an annual rent of £1,144,234 subject to five yearly rent reviews

The company has a second lease with Hotel Leeds Holdings BV for the rent of the hotel in Leeds at annual rent of £1,896,795 subject to five yearly rent reviews

16 Controlling companies

The immediate parent undertaking is Leno Hotel Holding BV (100%), a company incorporated in the Netherlands. The ultimate parent company and ultimate controlling party is Atlantic Pacific Enterprises BV (100%), a company incorporated in the Netherlands

17 Related party transactions

The company has taken advantage of the exemptions conferred by Financial Reporting Standard 8 from the requirement to make disclosures concerning group balances and transactions which are eliminated in the parent company consolidation

	2009 £
Management fees, reimbursed expenses, and general expenses	
Park Plaza Hotels Europe	610,570
General expenses incurred on behalf of Nottingham Park Plaza Hotel Operator Limited	
Park Plaza Hotel (UK) Services Limited	57,054
Victoria Hotel Operator Limited	33,670
	<u>701,294</u>

All the companies above are related parties through investment via the ultimate parent company Atlantic Pacific Enterprises BV or by common directorship. These balances have not been eliminated on consolidation in the parent company. All balances are interest free and are recoverable/repayable on demand.

NOTTINGHAM PARK PLAZA HOTEL OPERATOR LIMITED**Company number: 4205711****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 DECEMBER 2009****17 Related party transactions (continued)**

Advantage has been taken of the amendment to Financial Reporting Standard 8 which provides relief from the requirement in Financial Reporting Standard 28 by not requiring, in the first year of adopting the amendment, corresponding amounts where the information is not available

Amounts outstanding and recoverable as at 31 December 2009 are as follows

	Amounts due by related party £	Amounts owed to related party £
Park Plaza Hotels Europe	-	2,498,142
Gear Construction Project Management Limited	21,250	-
Park Plaza Hotel (UK) Services Limited	-	130,656
Hotel Leeds Holding B V	-	3,771,908
Hotel Nottingham Holding B V	-	513,803
Victoria Hotel Operator Limited	-	6,743
	<u>21,250</u>	<u>6,921,252</u>

Amounts outstanding and recoverable as at 31 December 2008 were as follows

	Amounts due by related party £	Amounts owed to related party £
Park Plaza Hotels Europe	-	2,082,597
Gear Construction Project Management Limited	21,250	-
Park Plaza Hotel (UK) Services Limited	-	77,056
Hotel Leeds Holding B V	-	3,042,520
Hotel Nottingham Holding B V	-	258,359
	<u>21,250</u>	<u>5,460,532</u>