

Registered number: 4445821

B&L ACCOR 4 LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

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B&L ACCOR 4 LIMITED

COMPANY INFORMATION

Directors	H O A Deligny T A M Dubaere
Company secretary	J J Schmitt
Registered number	4445821
Registered office	1 Shortlands Hammersmith London W6 8DR
Bankers	HSBC Bank plc 8 Canada Square London E14 5HQ
Solicitors	Pinsent Masons 30 Crown Place Earl Street London EC2A 4ES
Independent auditor	Deloitte LLP Chartered Accountants & Statutory Auditor London

B&L ACCOR 4 LIMITED

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B&L ACCOR 4 LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

Principal activity and future activity

The company's principal activity is the development and management of hotel properties. The company expects to continue this trade for the foreseeable future.

On 6 February 2013 the company purchased land and a building in Canary Wharf, London. The company has demolished the building and is constructing a 322 bedroom Novotel hotel at a total cost in the region of £100m on the site. The hotel is expected to open for trade in early 2017.

This report is prepared in accordance with the special provisions relating to small companies under s415(a) of the Companies Act 2006. As B&L Accor 4 Limited is entitled to the small companies exemption, no Strategic Report has been prepared.

Results

The loss for the year, after taxation, amounted to £4,615 (2013 - loss £12,041).

Business Review

The loss arose on pre-trading expenditure related to the hotel development. Asset costs incurred during the year in connection with the hotel development were capitalised and are shown on the balance sheet. The directors do not recommend the payment of a dividend (2013: £nil)

Financial risk management objectives and policies

The company is currently constructing a hotel on a site in London. At present the principal risk facing the company is that the one or more of the contractors engaged on the development could default on its contractual obligations to the company, resulting in the company incurring delays and additional costs in completing the hotel. The company has obtained insurance and performance bonds from the contractors to protect against this possibility, and the director is of the opinion that this is a small risk

All of the company's business is transacted in Sterling and accordingly the company is not exposed to any exchange rate fluctuations.

The Director is of the opinion that the company is not exposed to any other risks.

Environment

The Accor Group in the UK recognise that its activities impact upon the environment through its routine operations, its infrastructural development, and through its influence and effects on the wider community. The Group acknowledges a responsibility for, and a commitment to, protection of the environment at all levels. Accor will comply fully with environmental legislation and is committed to promoting environmental management policies and practices such as ISO 14001 and 'Green Globe', a benchmarking and certification scheme dedicated to all sectors of the tourism industry. Accor aims to increase the awareness of environmental responsibilities among staff and guests through its environment charter, by incorporating long term strategies for energy efficiency into the planning and development of hotels, by promoting a purchasing policy which will give preference, as far as practicable, to those products and services which cause the least harm to the environment and by working with local communities and agencies as appropriate to promote environmental policies

B&L ACCOR 4 LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014**

Going concern

Notwithstanding the fact that the company is in a net liabilities position, the director considers that the company will continue in operational existence for the foreseeable future. The company's parent has undertaken to provide financial support to the company for the foreseeable future, and in any case for a period of not less than 12 months from the date of the directors' report, should this be necessary in order for the company to continue trading. After considering the ability of the immediate parent company to provide this support, the directors continue to adopt the going concern basis in preparing financial statements, meaning in particular that the profit and loss account and balance sheet assume no intention or necessity to liquidate or curtail significantly the scale of the operation.

Directors

The directors who served during the year were:

H O A Deligny
T A M Dubaere

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

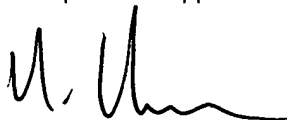
- so far as that director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

Auditor

The auditor, Deloitte LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



H O A Deligny
Director

Date: 28 September 2015

1 Shortlands
Hammersmith
London
W6 8DR

B&L ACCOR 4 LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014**

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 the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make 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 directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are 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.

B&L ACCOR 4 LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF B&L ACCOR 4 LIMITED

We have audited the financial statements of B&L Accor 4 Limited for the year ended 31 December 2014, which comprise the Profit and loss account, the Balance sheet 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).

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 director and auditor

As explained more fully in the Director's responsibilities statement, the director is 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 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 director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Director's 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 Company's affairs as at 31 December 2014 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 other matter 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.

B&L ACCOR 4 LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF B&L ACCOR 4 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit
- the directors were not entitled to take advantage of the small company's exemption to prepare the Strategic Report or preparing the Directors' Report.



Timothy Steel (Senior statutory auditor)

for and on behalf of
Deloitte LLP

Chartered Accountants
Statutory Auditor

London

28 September 2015

B&L ACCOR 4 LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Note	2014 £	2013 £
Administrative expenses		<u>(5,879)</u>	<u>(15,688)</u>
Loss on ordinary activities before taxation		(5,879)	(15,688)
Tax on loss on ordinary activities	4	<u>1,264</u>	<u>3,647</u>
Loss for the financial year	9	<u>(4,615)</u>	<u>(12,041)</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the Profit and loss account.

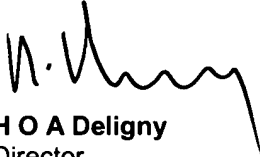
The notes on pages 8 to 12 form part of these financial statements.

B&L ACCOR 4 LIMITED
REGISTERED NUMBER: 4445821

BALANCE SHEET
AS AT 31 DECEMBER 2014

	Note	£	2014 £	£	2013 £
Fixed assets					
Tangible assets	5		30,304,951		23,841,759
Current assets					
Debtors	6	781,167		113,016	
Creditors: amounts falling due within one year	7	(31,102,773)		(23,966,815)	
Net current liabilities			(30,321,606)		(23,853,799)
Net liabilities			(16,655)		(12,040)
Capital and reserves					
Called up share capital	8		1		1
Profit and loss account	9		(16,656)		(12,041)
Shareholders' equity	10		(16,655)		(12,040)

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


H O A Deligny
 Director

Date: 28 September 2015

The notes on pages 8 to 12 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

1. Accounting policies

The financial statements are prepared in accordance with applicable United Kingdom law and accounting standards. The particular accounting policies adopted are described below and have been applied consistently in both the current and preceding years.

1.1 Basis of preparation of financial statements

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

1.2 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. No depreciation is provided on land or hotels in the course of construction. Other tangible fixed assets depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	50 years
Fixtures, fittings, furniture and equipment, vehicles	-	3-10 years
Fixed plant (air conditioning, heating, plumbing etc)	-	10-20

The cost of buildings includes interest incurred during the period of construction on borrowings specifically related to hotel developments.

1.3 Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured and accounted for on a non-discounted basis.

B&L ACCOR 4 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

1. Accounting policies (continued)**1.4 Going Concern**

As discussed in more detail in the Directors' Report, the directors consider that the company will continue in operational existence for the foreseeable future. The financial statements have hence been prepared on the going concern basis, meaning in particular that the profit and loss account and balance sheet assume no intention or necessity to liquidate or curtail significantly the scale of the operation.

2. Loss

The loss is stated after charging:

	2014 £	2013 £
Operating Rentals:		
- Ground rent	3,333	4,394

Auditor's remuneration of £2,900 (2013: £2,780) was paid by the immediate parent company.

3. Staff costs

The Company has no employees other than the directors, who did not receive any remuneration (2013 - £NIL).

None of the directors received any emoluments during the current or prior year for services as directors of the company. The remuneration of the directors in respect of other group companies is disclosed in the accounts of those companies.

4. Taxation

	2014 £	2013 £
UK corporation tax credit on loss for the year	(1,264)	(3,647)

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2013 - the same as) the standard rate of corporation tax in the UK of 21.5% (2013 - 23.25 %).

B&L ACCOR 4 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

5. Tangible fixed assets

	Construction in progress £
Cost	
At 1 January 2014	23,841,759
Additions	6,463,192
At 31 December 2014	<u>30,304,951</u>
Depreciation	
At 1 January 2014 and 31 December 2014	<u>-</u>
Net book value	
At 31 December 2014	<u><u>30,304,951</u></u>
At 31 December 2013	<u><u>23,841,759</u></u>

Construction in progress includes £820,427 of capitalised interest incurred on the construction cost of the hotel. Interest is calculated at LIBOR one month rate plus 150 basis points.

6. Debtors

	2014 £	2013 £
Prepayments and accrued income	129,046	1,250
VAT recoverable	652,121	111,766
	<u>781,167</u>	<u>113,016</u>

7. Creditors: Amounts falling due within one year

	2014 £	2013 £
Bank loans and overdrafts	2,519,101	57,088
Trade creditors	670,825	160,386
Amounts owed to group undertakings	27,864,918	23,746,341
Other creditors	47,929	-
Accruals and deferred income	-	3,000
	<u>31,102,773</u>	<u>23,966,815</u>

B&L ACCOR 4 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

8. Share capital

	2014 £	2013 £
Allotted, called up and fully paid		
1 Ordinary Shares share of £1	<u>1</u>	<u>1</u>

9. Reserves

	Profit and loss account £
At 1 January 2014	(12,041)
Loss for the Year	(4,615)
At 31 December 2014	<u>(16,656)</u>

10. Reconciliation of movement in shareholders' deficit

	2014 £	2013 £
Opening shareholders' (deficit)/funds	(12,040)	1
Loss for the Year/year	<u>(4,615)</u>	<u>(12,041)</u>
Closing shareholders' deficit	<u>(16,655)</u>	<u>(12,040)</u>

11. Related party transactions

In accordance with Financial Reporting Standard No. 8 "Related Party Disclosures" transactions with other undertakings within the Accor SA group have not been disclosed in these financial statements.

12. Cash Flow Statements

In accordance with paragraph 5(a) Financial Reporting Standard No.1 (revised) "Cash Flow Statements" the company is not required to prepare a cash flow statement.

13. Capital Commitments

At 31 December 2014 the company had capital commitments authorised or contracted of £12,072,602 (2013: £48,092).

B&L ACCOR 4 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

14. Contingent liabilities

Accor UK Limited and its UK subsidiaries operate a collective net overdraft facility of £10 million (2013: £10 million) with the group's bank. As part of this arrangement, the company has provided certain guarantees in respect of the overdraft position of UK subsidiaries of Accor UK Limited.

15. Ultimate and immediate parent company

The ultimate parent company and controlling party is Accor SA, registered in France at 110 Avenue de France, 75013 Paris, France. This was both the smallest and largest group for which consolidated accounts are prepared. Copies of the group accounts are available from:

Accor S A Shareholder Relations Department
Immeuble Odyssey
110 Avenue de France
75210 Paris CEDEX 13
France

The immediate parent company is Accor UK Business & Leisure Hotels Limited, a company incorporated in Great Britain and registered in England and Wales. Copies of these accounts are available from:

AccorHotels UK Finance Department
10 Hammersmith Grove
Hammersmith
London W6 7AP