

**HIN High Wycombe Limited**

**Annual report and financial statements**

**Registered number 09451321**

**For 14 month period from 20 February 2015**

**(date of incorporation) to 31 March 2016**

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## **Officers and professional advisor**

### **Directors**

Raoul René Hofland  
Gerardus Johannes Schipper

Appointed 31 December 2015  
Appointed 16 April 2015

### **Secretary**

Intertrust (UK) Limited

Appointed 19 March 2015

### **Registered office**

11 Old Jewry, 7<sup>th</sup> Floor  
London  
EC2R 8DU

### **Independent auditor**

KPMG LLP  
15 Canada Square  
London  
E14 5GL

## **Directors' report**

The Directors present their annual report and the financial statements for the period from 20 February 2015 to 31 March 2016.

### **Directors**

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

|                            |                                                       |
|----------------------------|-------------------------------------------------------|
| Raoul René Hofland         | Appointed 31 December 2015                            |
| Gerardus Johannes Schipper | Appointed 16 April 2015                               |
| Lee Scott Millstein        | Appointed 25 February 2015, resigned 16 April 2015    |
| Daniel Vijselaar           | Appointed 25 February 2015, resigned 31 December 2015 |
| Paul Newcombe              | Appointed 20 February 2015, resigned 25 February 2015 |

### **Dividends**

No dividends were declared for the period ended 31 March 2016.

### **Business review**

The loss for the period, after taxation, is £611,223. The Company has determined the year end for its first period of account as 31 March. Consequently, the first period of account is for the period from 20 February 2015 to 31 March 2016.

The Company applies FRS 101 - Reduced Disclosure Framework and has taken advantage of the disclosure exemptions allowed under this standard. The Company's parent undertaking, HICP Holdings Limited, was notified of and did not object to the use of the EU-adopted IFRS disclosure exemptions.

The Company has adopted IFRS 13, IAS 19 (Revised) and IAS 1 (amendment) which became mandatory during the period. The impact of the adoption of these standards was as follows:

- There was no impact from the adoption of IFRS 13. Under FRS 101, the Company has an exemption from all IFRS 13 disclosures.
- There was no impact from the adoption of IAS 19 (Revised) as the Company has no employees;
- The impact of the adoption of the amendments to IAS 1 was to disclose other comprehensive income which can be reclassified to profit and loss separately from other comprehensive income which cannot be recycled to profit and loss.

### **Key financial indicators**

The Company's key financial and other performance indicators during the period were as follows:

Turnover (continuing operations): £524,619

Loss for the financial period: £611,223

### **Future Developments**

There are no major future developments expected by the Company. The Company will remain to hold a long term rental contract with the tenant.

### **Financial instruments**

The Company finances its activities with a loan from an affiliated company. Other financial assets and liabilities, such as trade debtors and trade creditors, arise directly from the Company's operating activities. There are no other financial instruments which the Company used.

### **Political contributions**

The Company did not make any political contributions during the period.

## **Directors' report (continued)**

### **Disclosure of information to auditor**

The directors who were members of the board at the time of approving the directors' report are listed on page 3. Having made enquiries of fellow directors and of the Company's auditors, each of these directors confirms that:

- to the best of each director's knowledge and belief, there is no information (that is, information needed by the Company's auditors in connection with preparing their report) of which the Company's auditor is unaware; and
- each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditor is aware of that information.

### **Auditor**

Pursuant to Section 487(2) of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

### **Going concern**

The Company is part of HICP Holding Limited (the "Group") and the Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the financial statements of HICP Holding Limited (the "Group").

The Group meets its day to day working capital requirements from normal trading activities through its hotels.

The Company has net current assets and a positive equity. As a result the director's expect that the Company will continue to operate and to meet its liabilities as they fall due.

### **Small company provisions statement**

This Directors' Report has been prepared in accordance with the provision applicable to companies to the small companies' exemption. The Company has also applied the small companies' exemptions where it is not required to prepare a strategic report.

By order of the board

  
**Gerardus Johannes Schipper**  
*Director*

11 Old Jewry, 7<sup>th</sup> Floor  
London  
EC2R 8DU

21 July 2016

## **Statement of directors' responsibilities in respect of the annual report and the financial statements**

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

Company law requires the directors to prepare financial statements for each financial period. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101') 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 profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## **Independent auditor's report to the members of HIN High Wycombe Limited**

We have audited the financial statements of HIN High Wycombe Limited for the period ended 31 March 2016 set out on pages 9 to 17. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 6, 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 Ethical Standards for Auditor.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **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 March 2016 and of its loss for the period then ended 31 March 2016;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matters prescribed by the Companies Act 2006**

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

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Directors' report:

- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.

## **Independent auditor's report to the members of HIN High Wycombe Limited (continued)**

### **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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

.....  
**Andrew Turner (Senior Statutory Auditor)**  
**For and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*

KPMG LLP  
15 Canada Square  
London  
E14 5GL

Date: 27 July 2016.....

**Profit and Loss Account and Other Comprehensive Income**  
for the period ended 31 March 2016

|                                                    | <i>Note</i> | Period from 20 February 2015<br>to 31 March 2016<br>£000 |
|----------------------------------------------------|-------------|----------------------------------------------------------|
| Turnover                                           | 2           | <u>525</u>                                               |
| Cost of sales                                      |             | <u>(42)</u>                                              |
| <b>Gross profit</b>                                |             | <u><b>483</b></u>                                        |
| Administrative expenses                            | 3           | <u>(17)</u>                                              |
| <b>Operating profit</b>                            |             | <u><b>466</b></u>                                        |
| Interest payable and similar charges               | 5           | <u>(1,077)</u>                                           |
| <b>Loss on ordinary activities before taxation</b> |             | <b>(611)</b>                                             |
| Tax on loss on ordinary activities                 | 6           | <u>-</u>                                                 |
| <b>Loss for the financial period</b>               |             | <u><b>(611)</b></u>                                      |

There is no other comprehensive loss during the period.

The above results were derived from continuing operations.

The accompanying notes form an integral part of the financial statements.

**Balance Sheet**  
*As at 31 March 2016*

|                                                         | <i>Note</i> | <b>Period ended 31<br/>March 2016<br/>£000</b> |
|---------------------------------------------------------|-------------|------------------------------------------------|
| <b>Fixed assets</b>                                     |             |                                                |
| Investment property                                     | 7           | <u>10,600</u>                                  |
| <b>Current assets</b>                                   |             |                                                |
| Debtors: (amounts falling due within one year)          | 8           | 54                                             |
| Creditors: (amounts falling due within one year)        | 9           | <u>(8)</u>                                     |
| <b>Net current assets</b>                               |             | <u>46</u>                                      |
| <b>Total assets less current liabilities</b>            |             | <u>10,646</u>                                  |
| Creditors: amounts falling due after more than one year | 10          | <u>(10,197)</u>                                |
| <b>Net assets</b>                                       |             | <u>449</u>                                     |
| <b>Capital and reserves</b>                             |             |                                                |
| Called up share capital                                 | 11          | 1,060                                          |
| Profit and loss account                                 |             | <u>(611)</u>                                   |
| <b>Shareholders' funds</b>                              |             | <u>449</u>                                     |

These financial statements, (registration number: 09451321), were approved by the board of directors on 21 July 2016 and were signed on its behalf by:

  
**Gerardus Johannes Schipper**  
*Director*

11 Old Jewry, 7<sup>th</sup> Floor  
London  
EC2R 8DU

The accompanying notes form an integral part of the financial statements.

## Statement of Changes in Equity

|                                                 | Called up share<br>capital | Profit and loss<br>account | Total equity |
|-------------------------------------------------|----------------------------|----------------------------|--------------|
|                                                 | £000                       | £000                       | £000         |
| <b>20 February 2015 (date of incorporation)</b> | -                          | -                          | -            |
| Loss                                            | -                          | (611)                      | (611)        |
| Total other comprehensive income                | -                          | -                          | -            |
| <b>Total comprehensive loss for the period</b>  | -                          | <b>(611)</b>               | <b>(611)</b> |
| Shares issued                                   | 1,060                      | -                          | 1,060        |
| <b>Balance at 31 March 2016</b>                 | <b>1,060</b>               | <b>(611)</b>               | <b>449</b>   |

The accompanying notes form an integral part of the financial statements.

## **Notes** *(forming part of the financial statements)*

### **1 Accounting policies**

HIN High Wycombe Limited (the "Company") is a company incorporated and domiciled in the UK.

#### ***Basis of Preparation***

The company has determined the year end for its first period of account as 31 March. Consequently, the first period of account is for the period from 20 February 2015 to 31 March 2016.

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101"). The amendments to FRS 101 (2014/15 Cycle) issued in July 2015 and effective immediately have been applied

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The results of HIN High Wycombe Limited are included in the consolidated financial statements of HICP Holdings Limited.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital, tangible fixed assets and investment properties;
- The effects of new but not yet effective IFRSs; and
- Disclosures in respect of the compensation of Key Management Personnel.

The principal accounting policies adopted by the Company are set out in note 1.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 13.

#### ***1.1 Measurement convention***

The financial statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: investment property.

#### ***1.2 Going concern***

The Company is part of HICP Holding Limited (the "Group") and the Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the financial statements of HICP Holding Limited.

The Group meets its day to day working capital requirements from normal trading activities through its hotels.

The Company has net current assets and a positive equity. As a result the director's expect that the Company will continue to operate and to meet its liabilities as they fall due.

#### ***1.3 Financial instruments***

Financial instruments, comprise investments in equity and debt securities, trade and other debtors, cash and cash equivalents, loans and borrowings, and trade and other creditors.

##### ***Trade and other debtors***

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

## **Notes (continued)**

### **1.3 Financial instruments (continued)**

*Trade and other creditors* Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

#### *Interest-bearing borrowings*

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

### **1.4 Investment property**

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are stated at fair value.

In applying the fair value model in IAS 40 Investment Property:

- i. investment properties are held at fair value. Any gains or losses arising from changes in the fair value are recognised in profit or loss in the period that they arise; and
- ii. no depreciation is provided in respect of investment properties applying the fair value model.

Any gain or loss arising from a change in fair value is recognised in profit or loss.

### **1.5 Turnover**

Rents received under operating leases are credited to the profit and loss account on a straight-line basis over the lease term.

### **1.6 Expenses**

Interest payable and similar charges include interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method and unwinding of the discount on provisions. Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial time to be prepared for use, are capitalised as part of the cost of that asset.

Interest payable is recognised in profit or loss as it accrues, using the effective interest method. Foreign currency gains and losses are reported on a net basis.

### **1.7 Taxation**

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. For investment property that is measured at fair value deferred tax is provided at the rate applicable to the sale of the property except for that part of the property that is depreciable and the Company's business model is to consume substantially all of the value through use. In the latter case the tax rate applicable to income is used.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

## **Notes (continued)**

### **2 Turnover**

Turnover, which is stated in the profit and loss account net of value added tax, represents rent receivable from the investment property.

The turnover and profit before tax are attributable to one principal activity of the Company and all within the United Kingdom.

Rents received under operating leases in the period ended 31 March 2016 amounted to £524,619.

### **3 Expenses and auditor's remuneration**

Operating expenses for the period end 31 March 2016 amount to £17,124 of which all where in relation to investment property generating net rental income. The Company paid the following amounts to its auditor in respect of the audit of the financial statements and for other services provided to the Company.

|                                     | <b>31 March<br/>2016<br/>£000</b> |
|-------------------------------------|-----------------------------------|
| Audit of these financial statements | <u>(3)</u>                        |

Amounts receivable by the Company's auditor and its associates in respect of services to the Company and its associates, other than the audit of the Company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the Company's parent, HICP Holdings Ltd.

### **4 Director's remuneration**

During the period the Company's pro rata portion of the directors' remuneration amounts to £6,937.

### **5 Interest payable and similar charges**

|                                          | <b>31 March<br/>2016<br/>£000</b> |
|------------------------------------------|-----------------------------------|
| Total interest payable to parent company | <u>(1,077)</u>                    |

### **6 Taxation**

#### **Income tax recognised in other comprehensive income and Profit and Loss**

|                     | <b>31 March<br/>2016<br/>£000</b> |
|---------------------|-----------------------------------|
| Current income tax  | -                                 |
| Deferred income tax | -                                 |
| Total tax charge    | <u>-</u>                          |

## Notes (continued)

### 6 Taxation (continued)

The tax on profit before tax for the period is lower than the standard rate of corporation tax in the UK of 20%, as the Company didn't made any taxable profit there is not tax charge for the Company.

#### Reconciliation of effective tax rate

|                                                              | 31 March<br>2016<br>£000 |
|--------------------------------------------------------------|--------------------------|
| Loss for the year                                            | (611)                    |
| Total tax expense (including tax on discontinued operations) | -                        |
| Loss before taxation                                         | (611)                    |
| Tax using the UK corporation tax rate of 20%                 | (122)                    |
| Group relief surrendered to affiliated company               | 122                      |
| Total Tax Expense                                            | -                        |

UK legislation requires, in broad terms, that most transactions between connected parties be at an arm's length price for tax purposes (commonly known as 'transfer pricing'). As a result, this Company must make an adjustment for deemed net interest on intercompany balances that has not been recognised in the financial statements.

UK legislation also places restrictions on the amount of interest payable by a group of companies which can be deducted for tax purposes (commonly known as the 'debt cap rules'), but also allows a restricted exemption for interest receivable subject to various conditions.

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015.

### 7 Investment property

|                          | 31 March<br>2016<br>£000 |
|--------------------------|--------------------------|
| Addition during the year | 10,600                   |
| Fair value adjustments   | -                        |
| Balance at 31 March 2016 | 10,600                   |

The property is given as a security to the external bank of its parent company HICP Holdings Limited.

#### Fair value

The fair value of investment property was determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers provide the fair value of the Company's investment property portfolio every 2 years.

All of the investment properties have been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

#### Valuation technique and significant unobservable inputs

The Company's investment property comprises a total of one commercial property, situated in the United Kingdom, which is leased to an affiliated entity. In the last fiscal period the Company did not acquire or sell any properties which were classified as investment property.

## Notes (continued)

### 7 Investment property (continued)

The fair value of investment property has been determined in accordance with IFRS 13. IFRS 13.9 defined fair value as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. The above definition concurs with that of Market Value defined in the RICS Valuation – Professional Standards 8th Edition) published by the Royal Institution of Chartered Surveyors and is also generally consistent with the definition of Fair Value as adopted by the International Accounting Standard Board (IASB).

The appraisals were performed by HVS, an accredited independent appraiser with a recognised and relevant professional qualification and with recent experience in the location and category of the investment properties being valued.

In order to arrive at the fair value of the investment property, the external appraiser applied their market knowledge and professional judgement and not only relied on historical transaction comparable. The Group holds one class of investment property being commercial properties in the United Kingdom. For all investment properties, their current use equates to the highest and best use.

The Group's finance department reviews the appraisals performed by the independent appraisers for financial reporting purposes. Discussions of appraisal processes are held between HVS and the Company. At each financial year end the finance department: (i) verifies all major inputs to the independent appraisals; (ii) assesses property valuation movements when compared to the prior year valuation report and/or (iii) holds discussions with the independent appraiser.

There are no current prices in an active market available for the investment properties being valued. Therefore the fair value measurement is based on a Discounted Cash Flow Model (DCF). The valuations were performed on an item by item basis and not on a portfolio basis. There were not any highest and best use valuations.

For the impact on the profit and loss reference is made to note 2 and 3 where the rents received and direct operation expenses are disclosed.

There is no material change of the fair value of the investment property during the period.

### 8 Debtors

|                              | 31 March<br>2016<br>£000 |
|------------------------------|--------------------------|
| Other debtors                | 54                       |
| Due within one year          | 54                       |
| Due after more than one year | -                        |

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

|                              | 31 March<br>2016<br>£000 |
|------------------------------|--------------------------|
| Trade creditors              | (1)                      |
| Accruals and deferred income | (7)                      |
|                              | (8)                      |

## Notes (continued)

### 10 Creditors: falling due after more than one year

|                                           | 31 March<br>2016<br>£000 |
|-------------------------------------------|--------------------------|
| Amounts owed to fellow group undertakings | <u>(10,646)</u>          |

The loan owed to parent company has a repayment date on 5 March 2035.  
There is an interest rate charged of 10% per annum.  
There are no securities given for this loan.

### 11 Share capital

#### Allotted, called up and fully paid

|                              | Ordinary shares<br>31 March<br>2016 |
|------------------------------|-------------------------------------|
| On issue at 20 February 2015 | 1                                   |
| Issued during the period     | <u>1,060,000</u>                    |
| On issue at 31 March 2016    | <u>1,060,001</u>                    |

On the 31<sup>st</sup> March the Company issued 1,060,000 ordinary shares for £1 each. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares have a consideration of £1.

### 12 Ultimate parent company and parent company of larger group

The Company is a subsidiary undertaking of HICP Holdings Limited which is the ultimate parent company incorporated in the UK. The ultimate controlling party is HIN JB Limited. Ultimately the Company is owned by investment funds affiliated with the Cerberus Group. The Company has taken advantage of the exemptions in FRS 101 Section 8 from disclosing transactions with other members of the Group.

The largest group in which the results of the Company are consolidated is that headed by HIN JB Limited, incorporated in Jersey. The smallest group in which they are consolidated is that headed by HICP Holdings Limited, incorporated in the UK. The consolidated financial statements of HICP Holdings Limited are available to the public.

### 13 Accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events, which are believed to be reasonable under the circumstances. Investment properties are held to earn rental income and for capital appreciation. Investment properties are stated at fair value and are determined by third party valuation. Based on the latest valuation undertaken the Directors do not consider any impairment of assets is required.