

29 September 2015

**The Hotel Corporation plc**  
(the "Company")

**Interim results for the six month period ended 30 June 2015**

The Company today announces its unaudited interim results for the six month period ended 30 June 2015, highlights of which are set out below. The full interim results are also available for download from the Company's website: [www.thehotelcorporation.co.im](http://www.thehotelcorporation.co.im).

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**Directors' Report**

The Directors present their half yearly report on the affairs of The Hotel Corporation plc ("the Company"), together with the Unaudited Condensed Financial Statements and independent review report for the six months ended 30 June 2015.

**Principal Activity**

The principal activity of the Company is to invest in businesses within the hotels sector in the United Kingdom. (See Note 12 for further details of Events After the Balance Sheet Date).

**Results of the Company**

Revenue for the period is stated at £nil (2014H1: £nil). After deducting administrative expenses, operating losses amounted to £0.1m (2014H1: £0.1m operating loss), resulting in a loss before tax of £0.1m (2014H1: £0.1m loss). No tax is payable for the year due to the zero income taxation provisions in the Isle of Man. Basic loss per share was (0.13p) (2014H1: loss per share (0.12p)). (See Note 12 for further details of Events After the Balance Sheet Date).

The Company's net asset value ("NAV") per share as at 30 June 2015 is 0.84p (2014H1: 1.14p), with the Company continuing to value its investment in UK Group of Hotels plc ("UK Group of Hotels") (formerly Puma Hotels plc) at £nil (2014H1: £nil) as disclosed in note 7.

**Dividend**

The Directors do not recommend an interim dividend (2014H1: £nil).

**Corporate Governance Statement**

The Board of Directors are aware of the principles of corporate governance contained in the UK Corporate Governance Code.

Although the Company's shares are admitted to trading on the AIM Market of the London Stock Exchange, the Company is not required to comply with the UK Corporate Governance Code. The Board monitors the Company's established procedures or provides corporate governance disclosures to the extent appropriate for the size and stage of development of the Company. Accordingly the Directors have chosen to give selected disclosures that they believe are necessary/valuable to readers.

The Board notes that it comprises of two non-executive Directors. They are collectively responsible for all matters of good governance, and audit and remuneration committees will only be established by the Board if the Company's activities expand to the extent where the

collective responsibility of the Board is more appropriately served by the establishment of such committees.

It is the Board's intention to contain costs and maximise income. In keeping with that policy it is not the Board's intention to add to costs by inviting any additional directors to join the Board at this time.

The Board considers that it has the necessary expertise and experience to manage the Company in its present form, but will keep the situation under review.

#### **Events after the Balance Sheet Date**

Note 12 expands in more detail the post balance sheet events that are relevant to the Company's up to date position and explains post the balance sheet date the shareholders have approved a new investment policy. This new policy moves away from investment in businesses in the hotel sector into the direct acquisition of purpose built properties in the social housing sector.

#### **Going Concern**

Note 1 gives details of the Company's going concern position. Cash flow forecasts show that the Company is in a position to ensure that there are sufficient financial resources to meet its present operating costs for the foreseeable future.

The Events after Balance Sheet Date Note 12, expands on the new investment policy which the Board recommended to shareholders at the Extraordinary General Meeting ("EGM") on 16 September 2015 which was subsequently approved at that meeting. This new policy moves away from the investment in businesses in the hotel sector into the direct acquisition of purpose built properties in the social housing sector.

The Board will now use its best endeavours to raise any new funds necessary for this venture and are hopeful that the implementation of the new investment policy will have a positive outcome and therefore believe it is appropriate to prepare these financial statements on a Going Concern Basis. The proposal is at an early stage of development and no agreements are as yet in place regarding additional funding.

The above conditions therefore indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern.

**By order of the Board**

**D. W. Short**

Director

29 September 2015

**By order of the Board**

**D. P. Craine**

Director and Company Secretary

29 September 2015

#### **Independent Review Report to The Hotel Corporation plc**

We have been engaged by The Hotel Corporation plc ("the Company") to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2015 which comprise the condensed company statement of comprehensive income, the condensed statement of financial position, the condensed company statement of changes in equity, the condensed company statement of cash flows and related notes 1 to 12. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the Company in accordance with International Standard on Review Engagements (UK and Ireland) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board. Our work has been undertaken so that we might state to the Company those matters we are required to state in an independent review 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, for our review work, for this report, or for the conclusions we have formed.

### **Directors' responsibilities**

The half-yearly financial report is the responsibility of, and has been approved by the Directors. The Directors are responsible for preparing the half-yearly financial report in accordance with the AIM Rules of the London Stock Exchange.

As disclosed in note 1, the annual financial statements of the Company are prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting," as adopted by the European Union.

### **Our responsibility**

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

### **Scope of review**

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2015 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the AIM Rules of the London Stock Exchange.

### **Emphasis of Matter Paragraph – Going Concern**

In forming our review conclusion on the condensed set of financial accounts, which is not modified, we have considered the adequacy of the disclosure made in Note 1 to the financial statements concerning the Company's ability to continue as a going concern.

The Company's only asset is an investment in UK Group of Hotels which is in administration and due to be dissolved imminently. As detailed in Notes 1 and 12, the Board of Directors have had ongoing discussions with a number of parties about future trading opportunities and at an EGM of the Company on 16 September 2015, the Board put forward and the shareholders approved a new investment proposal. The Directors are hopeful of a positive outcome in relation to the ability of the Company to raise additional funds to support this new venture and generate future profits. However, this new proposal is at an early stage of development, and the Company is yet to raise any new additional funds to support this venture or generate any income from this new venture, and if the outcome of this current or any future proposals are not successful, the Board may need to consider an orderly wind down of the Company.

These conditions, along with other matters explained in Notes 1 and 12 to the financial statements, indicate the existence of material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. The condensed set of financial statements do not include the adjustments that would result if the Company were unable to continue as a going concern.

**Condensed Company Statement of Comprehensive Income  
 For the six months ended 30 June 2015**

|   | Notes | Six Months ended<br>30 June<br>2015<br>(Unaudited)<br>£'000 | 30 June<br>2014<br>(Unaudited)<br>£'000 | Year ended<br>31 December<br>2014<br>(Audited)<br>£'000 |
|---|-------|---|---|---|
| <b>Continuing Operations</b>  |       |   |   |   |
| Revenue   | 2     | -   | -                                       | -   |
| Administrative expenses   |       | (66)  | (61)                                    | (144)   |
| Operating Loss  |       | (66)  | (61)                                    | (144)   |
| Bank interest receivable  |       | -   | 1                                       | 2   |
| Loss before tax   |       | (66)  | (60)                                    | (142)   |
| Taxation  | 4     | -   | -                                       | -   |
| <b>Loss after taxation and<br/>total comprehensive<br/>loss for the period/year</b> |       | <b>(66)</b>   | <b>(60)</b>                             | <b>(142)</b>  |
| <b>Loss per Share</b>   |       |   |   |   |
| Basic and diluted   | 6     | (0.13p)   | (0.12p)                                 | (0.29p)   |

**Condensed Company Statement of Financial Position  
 As at 30 June 2015**

|                                | Notes | 30 June<br>2015<br>(Unaudited)<br>£'000 | 30 June<br>2014<br>(Unaudited)<br>£'000 | 31 December<br>2014<br>(Audited)<br>£'000 |
|--------------------------------|-------|---|---|---|
| <b>Non-Current Assets</b>      |       |   |   |   |
| Investments                    | 7     | -                                       | -                                       | -   |
| <b>Current Assets</b>          |       |   |   |   |
| Trade and other<br>receivables |       | 4                                       | 10                                      | 8   |
| Cash and Cash<br>Equivalents   |       | 421                                     | 592                                     | 501                                       |
|                                |       | 425                                     | 602                                     | 509                                       |
| <b>Total assets</b>            |       | <b>425</b>                              | <b>602</b>                              | <b>509</b>                                |

**Liabilities****Current Liabilities**

|   |              |              |              |
|---|--------------|--------------|--------------|
| Trade and other payables                            | 7            | 36           | 25           |
|   | <hr/>        | <hr/>        | <hr/>        |
| <b>Net Assets</b>                                   | <b>418</b>   | <b>566</b>   | <b>484</b>   |
|   | <hr/>        | <hr/>        | <hr/>        |
| <b>Capital and Reserves</b>                         |              |              |              |
| Share Capital                                       | 8            | 2,491        | 2,491        |
| Share Premium Account                               |              | 11,015       | 11,015       |
| Retained Losses                                     |              | (13,088)     | (13,022)     |
|   |              | <hr/>        | <hr/>        |
| <b>Equity attributable to owners of the Company</b> | <b>418</b>   | <b>566</b>   | <b>484</b>   |
|   | <hr/>        | <hr/>        | <hr/>        |
| <b>Net Asset Value Per Share</b>                    | <b>0.84p</b> | <b>1.14p</b> | <b>1.26p</b> |

**Condensed Company Statement of Changes of Equity for the six months ended 30 June 2015**

|  | <b>Share Capital</b> | <b>Share Premium Account</b> | <b>Retained losses</b> | <b>Total</b> |
|--|----------------------|------------------------------|------------------------|--------------|
|  | <b>£'000</b>         | <b>£'000</b>                 | <b>£'000</b>           | <b>£'000</b> |
| <b>Balance at 1 January 2014</b>           | 2,491                | 11,015                       | (12,880)               | 626          |
| Loss for the period                        | -                    | -                            | (60)                   | (60)         |
|  | <hr/>                | <hr/>                        | <hr/>                  | <hr/>        |
| <b>Balance at 30 June 2014 (Unaudited)</b> | <b>2,491</b>         | <b>11,015</b>                | <b>(12,940)</b>        | <b>566</b>   |
|  | <hr/>                | <hr/>                        | <hr/>                  | <hr/>        |
|  | <b>Share Capital</b> | <b>Share Premium Account</b> | <b>Retained losses</b> | <b>Total</b> |
|  | <b>£'000</b>         | <b>£'000</b>                 | <b>£'000</b>           | <b>£'000</b> |
| <b>Balance at 1 January 2014</b>           | 2,491                | 11,015                       | (12,880)               | 626          |
| Loss for the period                        | -                    | -                            | (142)                  | (142)        |
|  | <hr/>                | <hr/>                        | <hr/>                  | <hr/>        |
| <b>Balance at 31 December</b>              | <b>2,491</b>         | <b>11,015</b>                | <b>(13,022)</b>        | <b>484</b>   |
|  | <hr/>                | <hr/>                        | <hr/>                  | <hr/>        |

**2014 (Audited)**

|  | <b>Share<br/>Capital</b> | <b>Share<br/>Premium<br/>Account</b> | <b>Retained<br/>losses</b> | <b>Total</b> |
|--|--------------------------|--------------------------------------|----------------------------|--------------|
|  | <b>£'000</b>             | <b>£'000</b>                         | <b>£'000</b>               | <b>£'000</b> |
| <b>Balance at 1 January<br/>2015</b>           | 2,491                    | 11,015                               | (13,022)                   | 484          |
| Loss for the period                            | -                        | -                                    | (66)                       | (66)         |
| <b>Balance at 30 June 2015<br/>(Unaudited)</b> | <b>2,491</b>             | <b>11,015</b>                        | <b>(13,088)</b>            | <b>418</b>   |

**Condensed Company Statement of Cash Flows**  
**For the six months ended 30 June 2015**

|  |              | <b>Six Months Ended</b> |                    | <b>Year Ended</b>  |
|--|--------------|-------------------------|--------------------|--------------------|
|  |              | <b>30 June</b>          | <b>30 June</b>     | <b>31 December</b> |
|  |              | <b>2015</b>             | <b>2014</b>        | <b>2014</b>        |
|  | <b>Notes</b> | <b>(Unaudited)</b>      | <b>(Unaudited)</b> | <b>(Audited)</b>   |
|  |              | <b>£'000</b>            | <b>£'000</b>       | <b>£'000</b>       |
| <b>Net cash outflow from Operating Activities</b>            | 9            | <b>(80)</b>             | <b>(51)</b>        | <b>(143)</b>       |
| <hr/>  |              |                         |                    |                    |
| <b>Investing activities</b>                                  |              |                         |                    |                    |
| Interest received  |              | -                       | 1                  | 2                  |
| <hr/>  |              |                         |                    |                    |
| <b>Net cash generated in Investing activities</b>            |              | <b>-</b>                | <b>1</b>           | <b>2</b>           |
| <hr/>  |              |                         |                    |                    |
| <b>Financing activities</b>                                  |              |                         |                    |                    |
| Dividends paid   | 5            | -                       | -                  | -                  |
| <hr/>  |              |                         |                    |                    |
| <b>Net cash outflow from financing activities</b>            |              | <b>-</b>                | <b>-</b>           | <b>-</b>           |
| <hr/>  |              |                         |                    |                    |
| <b>Net decrease in cash and cash equivalents</b>             |              | <b>(80)</b>             | <b>(50)</b>        | <b>(141)</b>       |
| <hr/>  |              |                         |                    |                    |
| <b>Cash and cash equivalents at beginning of period/year</b> |              | <b>501</b>              | <b>642</b>         | <b>642</b>         |
| <hr/>  |              |                         |                    |                    |
| <b>Cash and cash equivalents at end of period/year</b>       |              | <b>421</b>              | <b>592</b>         | <b>501</b>         |
| <hr/>  |              |                         |                    |                    |

## Notes to the Condensed Company Financial Statements

### 1. Significant Accounting policies

#### Basis of preparation

The annual financial statements of The Hotel Corporation plc are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. The condensed set of financial statements included in this half yearly financial report have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting", as adopted by the European Union.

On 31 October 2012, the IASB issued 'Investment entities: Amendments to IFRS 10 IFRS 12 and IAS 27'. Entities are required to apply the amendments for annual periods beginning on or after 1 January 2014, but earlier application is permitted. Accordingly, the Company early adopted Investment Entities (amendments to IFRS 10, IFRS 12 and IAS 27) for the year ended 31 December 2012 and has continued to apply the amended standard in the financial statements.

The Company meets the definition of an Investment Entity as defined by IFRS 10 and is required to account for the investment in UK Group of Hotels plc at fair value through profit and loss. These separate financial statements are the only financial statements presented by the Company.

In accordance with IFRS 10 as amended by Investment Entities (amendments to IFRS 10, IFRS 12 and IAS 27), the Company shall not consolidate its subsidiaries or apply IFRS 3 when it obtains control of another entity. Instead, the Company will measure its investment in its subsidiaries at fair value through profit or loss in accordance with IAS 39 Financial Instruments: Recognition and Measurement.

The Company holds 49.9% of the ordinary shares of UK Group of Hotels plc as well as convertible preference shares. If all the convertible preference shares held by the Company are converted into ordinary shares the Company will own 53.28% of UK Group of Hotels plc, on a fully converted basis. Under previously adopted IFRS, this had required consolidation of the UK Group of Hotels plc results.

See Note 12 for further details in relation to the Company's investment in UK Group of Hotels plc.

There have been no changes in accounting policies from the adoption of new and revised standards in the period to 30 June 2015. There have been no changes in critical accounting judgements and key sources of estimation uncertainties from those disclosed in the audited financial statements for the year ended 31 December 2014.

#### Going Concern Disclosure

In light of events outlined in Note 7, no future income and no investment return from the UK Group of Hotels plc is expected.

Cash flow forecasts show that the Company is in a position to ensure that there are sufficient financial resources to meet its present operating costs for the foreseeable future.

Since the loss of the investment in the UK Group of Hotels plc, the Board has been in consultation with several parties who were looking to introduce investment opportunities to a quoted cash shell company.

The Events after Balance Sheet Date Note 12, expands on the new investment policy which the Board recommended to shareholders at the EGM on 16 September 2015 which was subsequently approved at that meeting.

The Board will now work diligently on implementing the new investment policy. This new proposal is at an early stage of development and the company is yet to raise any additional funds to support the new venture or generate any income from this new



venture. The Board will use its best endeavours to ensure the success of the new investment policy and are hopeful of a positive outcome and on that basis, considers the Company to be a going concern. However, if the outcome of this current or any future proposals are not successful the Board will need to consider an orderly wind down of the Company.

The above conditions therefore indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern and therefore the Company may be unable to realise assets and / or discharge liabilities in the normal course of business. These condensed set of financial statements do not include any adjustments that would result if the Company was unable to continue as a going concern

### Revenue recognition

Note 12 explains that the UK Group of Hotels plc and all of its subsidiary companies are being placed into dissolution. The directors have considered the detailed recognition criteria in IAS 18 *Revenue*, and in particular, as to whether it is probable that economic benefits associated with transactions will flow to the Company, from interest on bonds and preference share dividends. Following consideration of the conditions, the Company has not recognised revenue due in the current period or any earlier period with effect from 1 January 2012.

## 2. Revenue

An analysis of the Company's revenue is as follows:

|                              | (Unaudited)      |           | (Audited)  |
|------------------------------|------------------|-----------|------------|
|                              | Six Months Ended |           | Year Ended |
|                              | June 2015        | June 2014 | 2014       |
|                              | £'000            | £'000     | £'000      |
| <b>Continuing operations</b> |                  |           |            |
| Interest on bonds            | -                | -         | -          |
| Preference share dividend    | -                | -         | -          |
|                              | <u>-</u>         | <u>-</u>  | <u>-</u>   |
|                              | <u>-</u>         | <u>-</u>  | <u>-</u>   |

In accordance with IAS 18, Revenue, revenue due in relation to interest on bonds and preference share dividends has not been recognised in the current period or any earlier period with effect from 1 January 2012. See further details in Note 1 *Revenue Recognition* and Note 12 *Events after the Balance Sheet Date*.

## 3. Business and geographical segments

The company's turnover is derived from interest on the bonds and cumulative preference shares (which have not been recognised – see Note 2) held in its investment UK Group of Hotels plc. That income would have been from the UK. Bank interest income is derived from the Isle of Man.

## 4. Company Tax on loss on ordinary activities

A 0% rate of corporate income tax is applicable to the Company's income and therefore no provision for liability to Manx income tax has been included in these condensed financial statements.

## 5. Dividends

The Directors do not recommend the payment of an interim dividend in respect of the six month period to 30 June 2015 (30 June 2014: £nil, 31 December 2014: £nil).

## 6. Loss per share

### Continuing Operations

#### Losses: Company

|  | <b>(Unaudited)</b>      |                | <b>(Audited)</b>   |
|--|-------------------------|----------------|--------------------|
|  | <b>Six Months ended</b> |                | <b>Year ended</b>  |
|  | <b>30 June</b>          | <b>30 June</b> | <b>31 December</b> |
|  | <b>2015</b>             | <b>2014</b>    | <b>2014</b>        |
|  | <b>£'000</b>            | <b>£'000</b>   | <b>£'000</b>       |
| Losses for the purposes of basic earnings per share being net loss attributable to owners of the Company | <u>(66)</u>             | <u>(60)</u>    | <u>(142)</u>       |

#### Number of Shares

|  | <b>(Unaudited)</b>      |                   | <b>(Audited)</b>   |
|--|-------------------------|-------------------|--------------------|
|  | <b>Six Months ended</b> |                   | <b>Year ended</b>  |
|  | <b>30 June</b>          | <b>30 June</b>    | <b>31 December</b> |
|  | <b>2015</b>             | <b>2014</b>       | <b>2014</b>        |
|  | <b>No.</b>              | <b>No.</b>        | <b>No.</b>         |
| Weighted average number of ordinary shares for the purpose of basic and diluted loss per share | <u>49,819,050</u>       | <u>49,819,050</u> | <u>49,819,050</u>  |

#### Loss per share – continuing operations: Company

|                   |                |                |                |
|-------------------|----------------|----------------|----------------|
| Basic and diluted | <u>(0.13p)</u> | <u>(0.12p)</u> | <u>(0.29p)</u> |
|-------------------|----------------|----------------|----------------|

## 7. Investment

### Ordinary Shares, Preference Shares and Bonds held in UK Group of Hotels plc

UK Group of Hotels plc, as previously reported went into administration on 4<sup>th</sup> August 2014.

In a report from the Administrators dated 27<sup>th</sup> January 2015 it was stated that there would be no return for ordinary shareholders, preference shareholders or debenture holders. The investment in all forms into UK Group of Hotels plc has no present or future value.

In a report dated 11 September 2015 the Administrators have advised that their term of office would cease after one year and expect a notice to move from administration to dissolution and three months thereafter the companies would be dissolved. See Note 12 – Events after the Balance Sheet Date for further details.

The investment is carried at £Nil value which is also considered to be the fair value in accordance with IAS39, Financial Instruments Recognition and Measurement.

## 8. Share Capital

The total number of Ordinary Shares of £0.05 in issue and fully paid at 30 June 2015 was 49,819,050. During the six month period there has been no further issue of shares

## 9. Notes to the Statement of Cash Flows

|                | <b>(Unaudited)</b>      |                | <b>Audited</b>     |
|----------------|-------------------------|----------------|--------------------|
|                | <b>Six Months ended</b> |                | <b>Year ended</b>  |
| <b>Company</b> | <b>30 June</b>          | <b>30 June</b> | <b>31 December</b> |

|   | <b>2015</b><br><b>£'000</b> | <b>2014</b><br><b>£'000</b> | <b>2014</b><br><b>(£'000)</b> |
|---|-----------------------------|-----------------------------|-------------------------------|
| Loss from operations                            | (66)                        | (61)                        | (144)                         |
| Decrease/(increase) in receivables              | 4                           | (1)                         | 1                             |
| (Decrease)/increase in trade and other payables | (18)                        | 11                          | -                             |
|   | <hr/>                       | <hr/>                       | <hr/>                         |
| Net cash outflow from operating activities      | <u>(80)</u>                 | <u>(51)</u>                 | <u>(143)</u>                  |

## 10. Immediate and Ultimate Controlling Party

In the opinion of the Directors there is no immediate and ultimate controlling party.

## 11. Related Party Transactions

### Key Management Compensation

The remuneration of the Directors of the Company, who are the key management personnel, is set out below:

|                | <b>(Unaudited)</b>      |                  | <b>Audited</b>     |
|----------------|-------------------------|------------------|--------------------|
|                | <b>Six Months ended</b> |                  | <b>Year ended</b>  |
|                | <b>30 June</b>          | <b>30 June</b>   | <b>31 December</b> |
|                | <b>2015</b>             | <b>2014</b>      | <b>2014</b>        |
|                | <b>£'000</b>            | <b>£'000</b>     | <b>£'000</b>       |
| Directors fees | <u>20</u>               | <u>21</u>        | <u>41</u>          |
| <b>Total</b>   | <u><b>20</b></u>        | <u><b>21</b></u> | <u><b>52</b></u>   |

## 11. Related Party Transactions

David Craine is a Director of Peregrine Corporate Services Limited, ("PCS"), the Company which provides accountancy, administration and secretarial services to The Hotel Corporation plc. Fees, including VAT, of £7,167 (30 June 2014: £13,806, 31 December 2014 £33,676) were paid to PCS during the period.

Derek Short's Directors fees of £14,088 (30 June 2014: £14,088, 31 December 2014: £28,175) are paid to English and Continental Properties Limited.

David Craine's Directors fees of £6,900 (30 June 2014: £6,900, 31 December 2014: £13,800) are paid to Burleigh Offshore Services Limited.

## 12. Events after the Balance Sheet Date

The Administrators of the UK Group of Hotels plc have announced in a report dated 11 September 2015 that the anniversary of their appointment marked the cessation of their position as Administrators and that the UK Group of Hotels plc and all of their subsidiary companies are being placed into dissolution.

An Extraordinary General Meeting was requisitioned and duly held on 16 September 2016 at which time the requisitioners wished to appoint Mr Marcus Yeoman as a director and requested that Mr Derek Short be removed as a director. Both resolutions were unsuccessful.

Prior to the anticipated dissolution of UK Group of Hotels plc, the directors were approached by The Shore Capital Group, a principal shareholder, regarding a new investment opportunity which would look to acquire and hold properties in the specialised sectors of the property market, and more specifically for purpose built homes for adults with learning difficulties requiring support from carers, purpose built care homes for the elderly and infirm, and converted dwellings accommodating young adults / early teens requiring extensive support from social services. The Board of Directors tabled this new opportunity at the EGM. The resolution for this new investment policy was duly approved by the shareholders at the EGM.