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**UNION AND WESTERN HOTELS LIMITED**

**Unaudited Financial Statements**

**For the year ended 30 November 2007**

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# UNION AND WESTERN HOTELS LIMITED

## Financial statements for the year ended 30 November 2007

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# UNION AND WESTERN HOTELS LIMITED

## Directors, officers and advisers

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### Directors

Mr M Bows  
Mrs M Bows

### Secretary and registered office

Mrs N Craggs  
The Union Hotel  
Chapel Street  
Penzance  
Cornwall  
TR18 4AE

### Registered number

00415527 (England and Wales)

### Accountants

The Moore Scarrott Partnership LLP  
Oake House  
West Buckland  
Wellington  
Somerset  
TA21 9LR

### Bankers

National Westminster Bank PLC  
31 Alverton Street  
Penzance  
Cornwall  
TR18 2QQ

# **UNION AND WESTERN HOTELS LIMITED**

## **Directors' report for the year ended 30 November 2007**

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The directors present their report and the financial statements of the company for the year ended 30 November 2007

### **Principal activity**

The principal activity of the company during the year continued to be the promotion of licensed premises and hoteliers

### **Directors**

The directors who served during the year were

Mr M Bows  
Mrs M Bows

The above report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

### **Signed on behalf of the board**

**MR M BOWS**  
**Director**

A handwritten signature in black ink, appearing to read 'M Bows', is written over the printed name and title.

Approved by the Board on

# **UNION AND WESTERN HOTELS LIMITED**

## **Accountants' Report to the Board of Directors on the Unaudited Financial Statements**

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In accordance with the engagement letter dated 19th April 2005, we have compiled the financial statements, which comprise a profit and loss account and balance sheet and the related notes, from the accounting records and information and explanations supplied to us

This report is made to the company's Board of Directors' as a body in accordance with the terms of engagement. We have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibility and no responsibility will be accepted for the work or the report to anyone other than the company and the company's Board of Directors', as a body

We have carried out the engagement in accordance with the technical guidance issued by the Association of Chartered Certified Accountants and have complied with ethical guidance laid down by the Association relating to members undertaking the compilation of financial statements

We have not carried out an audit of the financial statements, nor verified the accuracy or completeness of the accounting records or information and explanations supplied and therefore we do not express an opinion on the financial statements

**The Moore Scarrott Partnership LLP**  
**Chartered**  
**Certified Accountants**

Oake House  
West Buckland  
Wellington  
Somerset  
TA21 9LR

# UNION AND WESTERN HOTELS LIMITED

## Profit and loss account for the year ended 30 November 2007

	<i>Notes</i>	<u>2007</u> £	<u>2006</u> £
Turnover		375,415	329,257
Cost of sales		101,804	96,524
Gross profit		<u>273,611</u>	<u>232,733</u>
Administrative expenses		307,410	222,302
		<u>307,410</u>	<u>222,302</u>
Operating loss/(2006 profit)	2	(33,799)	10,431
Rental income		5,150	5,748
Other interest receivable and similar income		35	441
Interest payable and similar charges		(28,021)	(17,721)
Loss on ordinary activities before taxation		(56,635)	(1,101)
Taxation on loss on ordinary activities	3	-	-
Loss for the financial year		(56,635)	(1,101)
Dividends		-	-
Loss for the year		<u>(56,635)</u>	<u>(1,101)</u>

The notes on pages 6 to 9 form part of these financial statements

# UNION AND WESTERN HOTELS LIMITED

## Balance sheet at 30 November 2007

	<u>Notes</u>	<u>2007</u> £	<u>2006</u> £
<b>Fixed assets</b>			
Tangible assets	4	873,130	872,026
<b>Current assets</b>			
Stock		7,000	11,784
Debtors	5	5,995	3,087
Cash at bank and in hand		55,188	22,281
		<u>68,183</u>	<u>37,152</u>
<b>Creditors. amounts falling due within one year</b>	6	<u>(82,328)</u>	<u>(116,856)</u>
<b>Net current liabilities</b>		<u>(14,145)</u>	<u>(79,704)</u>
<b>Total assets less current liabilities</b>		<b>858,985</b>	<b>792,322</b>
<b>Creditors. amounts falling due after more than one year</b>	7	<u>(390,761)</u>	<u>(267,463)</u>
		<u><b>468,224</b></u>	<u><b>524,859</b></u>
<b>Capital and reserves</b>			
Called up share capital	8	20,004	20,004
Revaluation reserve	9	528,903	528,903
Deficit on profit and loss account	9	(80,683)	(24,048)
<b>Shareholders' funds</b>		<u><b>468,224</b></u>	<u><b>524,859</b></u>

These accounts have been prepared in accordance with the special provisions relating to small companies within part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective January 2005)

The directors are of the opinion that the company is entitled to the exemptions from audit conferred by section 249A(1) of the Companies Act 1985 for the year ended 30 November 2007

The directors confirm that no member or members have requested an audit pursuant to subsection 2 of section 249B of the Companies Act 1985

The directors are responsible for -


- ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and
- preparing accounts which give a true and fair view of the state of affairs of the company as at 30 November 2007 and of its results for the year then ended in accordance with the requirements of section 226 of the Companies Act 1985, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company

Approved by the board of directors on

and signed on its behalf



Mr M Bows - Director



Mrs M Bows - Director

# UNION AND WESTERN HOTELS LIMITED

## Notes to the financial statements for the year ended 30 November 2007

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### 1 Accounting policies

#### a) *Basis of accounting*

The financial statements are prepared on the historical cost basis of accounting and have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

The company has taken advantage of the exemption, conferred by Financial Reporting Standard 1, from presenting a cash flow statement as it qualifies as a small company

#### b) *Turnover*

Turnover represents the invoiced value of goods and services supplied by the company, net of value added tax and trade discounts

#### c) *Depreciation of tangible fixed assets*

Depreciation is provided on all tangible fixed assets at rates calculated to write off the full cost or valuation less estimated residual value of each asset over its estimated useful life. The principal rates in use are

Property improvements	5% on cost
Plant and machinery	15% reducing balance

#### d) *Stocks*

Stock and work in progress is valued at the lower of cost and estimated net realisable value

#### e) *Hire purchase and lease transactions*

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and depreciated over their useful lives

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding

Rentals under operating leases are charged to the profit and loss account as they fall due

### 2 Loss on ordinary activities before taxation

This is stated after charging

	<u>2007</u> £	<u>2006</u> £
Depreciation	<u>6,660</u>	<u>7,101</u>



# UNION AND WESTERN HOTELS LIMITED

## Notes to the financial statements for the year ended 30 November 2007 (continued)

### 3 Tax on profit on ordinary activities

	<u>2007</u> £	<u>2006</u> £
United Kingdom corporation tax at 0%	-	-

No deferred tax provision has been included within these financial statements for the year ended 30th November 2007 as the deferred tax charge for the period would be covered by the company's taxable losses to date

The deferred taxation not provided on plant and machinery amounts to £2,054, and on freehold land and buildings this amounted to £17,309. Deferred taxation in the financial statements on the revaluation of freehold land and buildings amounts to £36,177.

The historical cost of the freehold land and buildings of £221,097 has been taken to be the market value at March 1982.

### 4 Tangible fixed assets

	<i>Land and buildings</i> £	<i>Plant and machinery</i> £	<i>Total</i> £
<b>Cost.</b>			
At 1 December 2006	841,712	129,389	971,101
Additions	7,405	359	7,764
At 30 November 2007	<u>849,117</u>	<u>129,748</u>	<u>978,865</u>
<b>Depreciation:</b>			
At 1 December 2006	2,352	96,723	99,075
Provision for the year	1,706	4,954	6,660
At 30 November 2007	<u>4,058</u>	<u>101,677</u>	<u>105,735</u>
<b>Net book value</b>			
At 30 November 2007	<u>845,059</u>	<u>28,071</u>	<u>873,130</u>
At 30 November 2006	<u>839,360</u>	<u>32,666</u>	<u>872,026</u>

The net book value of land and buildings at 30 November 2007 is made up as follows

	<u>2007</u> £	<u>2006</u> £
Freehold land and buildings	<u>845,059</u>	<u>839,360</u>

Included within the freehold land and buildings is property valued at £750,000 on 17th March 2005. This was carried out by Christie & Co, independent surveyors, and based on the Union Hotel continuing to be a fully equipped trading hotel.

The historical cost of freehold land and buildings included above at a valuation of £750,000 was £221,097. No depreciation has been charged thereon.

# UNION AND WESTERN HOTELS LIMITED

## Notes to the financial statements for the year ended 30 November 2007 (continued)

### 5 Debtors

	<u>2007</u> £	<u>2006</u> £
Trade debtors	3,495	-
Other debtors	<u>2,500</u>	<u>3,087</u>
	<u>5,995</u>	<u>3,087</u>

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

	<u>2007</u> £	<u>2006</u> £
Bank loans and overdrafts	11,921	14,999
Trade creditors	5,180	6,708
Other creditors	57,998	78,966
Other tax and social security	<u>7,229</u>	<u>16,183</u>
	<u>82,328</u>	<u>116,856</u>

### 7 Creditors: amounts falling due after more than one year

	<u>2007</u> £	<u>2006</u> £
Bank loans	<u>390,761</u>	<u>267,463</u>
<b>Analysis of loan repayments</b>		
Bank loans and overdrafts		
Within one year or on demand	11,921	14,999
Between two and five years	48,045	59,996
After five years	<u>342,716</u>	<u>207,467</u>
	402,682	282,462
Less amounts included in current liabilities (note 6)	<u>11,921</u>	<u>14,999</u>
	<u>390,761</u>	<u>267,463</u>

The bank loan is secured

### 8 Called-up share capital

	<u>2007</u> £	<u>2006</u> £
<b>Authorised</b>		
<b>Equity shares:</b>		
Ordinary shares of £1 each	<u>25,000</u>	<u>25,000</u>
<b>Allotted, called up and fully paid</b>		
<b>Equity shares:</b>		
Ordinary shares of £1 each	<u>20,004</u>	<u>20,004</u>

# UNION AND WESTERN HOTELS LIMITED

## Notes to the financial statements for the year ended 30 November 2007 (continued)

### 9 Reserves

	<i>Revaluation reserve £</i>	<i>Profit and loss account £</i>
At 1 December 2006	528,903	(24,048)
Loss for the year	-	56,635
At 30 November 2007	<u>528,903</u>	<u>(80,683)</u>

### 10 Controlling party

The company is controlled by its directors

### 11 Related parties

Included in other creditors is an amount of £46,894 (2006 - £69,850) due to Mr M Bows and Mrs M Bows, directors of the company. There are no terms for repayment of this loan and no interest is being charged.

# UNION AND WESTERN HOTELS LIMITED

## Profit and loss account for the year ended 30 November 2007

	<u>2007</u> £	<u>2006</u> £
<b>Sales</b>		
Accommodation	142,289	139,894
Bar food sales	72,852	62,872
Bar sales	158,722	123,083
Gaming machine income	<u>1,552</u>	<u>3,408</u>
	375,415	329,257
<b>Cost of sales</b>		
Opening stock	11,784	10,000
Bar purchases	51,133	52,551
Food purchases	<u>45,887</u>	<u>45,757</u>
	108,804	108,308
Closing stock	<u>7,000</u>	<u>11,784</u>
	101,804	96,524
<b>Gross profit</b>	273,611	232,733
<b>Deduct expenses</b>		
Establishment	135,327	64,761
Labour	140,628	120,926
Administration	21,454	27,125
Financial	31,362	20,110
Depreciation	<u>6,660</u>	<u>7,101</u>
	335,431	240,023
	(61,820)	(7,290)
<b>Other income</b>		
Interest receivable	35	441
Rent receivable	<u>5,150</u>	<u>5,748</u>
<b>Net loss before taxation</b>	<u>(56,635)</u>	<u>(1,101)</u>

# UNION AND WESTERN HOTELS LIMITED

## Profit and loss account for the year ended 30 November 2007 (continued)

	<u>2007</u> £	<u>2006</u> £
<b>Establishment</b>		
Rates	17,814	18,421
Light and heat	18,413	19,954
Insurance	4,473	5,441
Cleaning and waste disposal	7,985	4,997
Repairs and maintenance	86,642	15,948
	<u>135,327</u>	<u>64,761</u>
<b>Labour</b>		
Wages and salaries	138,607	115,297
Manager's salary	2,021	5,629
	<u>140,628</u>	<u>120,926</u>
<b>Administration</b>		
Telephone and fax	1,486	1,439
Postage	77	161
Stationery and printing	1,190	2,032
Equipment hire	5,179	3,500
Computer costs	815	742
Website and internet charge	780	180
Sundry expenses	554	1,672
Training	96	216
Entertainment	1,845	1,145
Licences	1,167	1,900
Donations	190	193
Advertising	2,019	1,030
Accountancy	4,510	6,758
Stocktaking fees	1,235	1,045
Legal and professional fees	311	5,112
	<u>21,454</u>	<u>27,125</u>
<b>Financial</b>		
Loan interest	20,192	13,922
Mortgage interest	6,483	3,798
Other interest	358	-
Credit card charges	-	279
Bank interest	988	1
Bank charges	3,341	2,110
	<u>31,362</u>	<u>20,110</u>
<b>Depreciation</b>		
Freehold land and buildings	1,706	1,336
Plant and machinery	4,954	5,765
	<u>6,660</u>	<u>7,101</u>