

Sudbury House Hotel Limited

Financial Statements - year ended 31 July 1999

Registered in England and Wales number 2121927



Sudbury House Hotel Limited

Financial Statements - year ended 31 July 1999

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Sudbury House Hotel Limited

Registered in England & Wales number 2121927

Directors' Report - year ended 31 July 1999

The directors present their report, together with the audited financial statements of the company, for the year ended 31 July 1999.

Directors

The directors who served during the year were:

RI Howard (Chairman)

DH Bate

A Brown (Resigned 19 May 1999)

HR Dunn

AH Gillibrand (Appointed 20 January 1999)

T Taylor (Appointed 24 March 1999)

No director had any interest in the shares of the company at any time during the year.

The company maintains liability insurance on behalf of its directors.

Principal activities and review of business

The company's principal activity continues to be the provision of hotel accommodation and related services.

Results and dividend

The company's profit for the financial year and the transfer to reserves amounted to £23,599 (1998: £41,289).

The directors do not recommend the payment of a dividend.

Charitable donations

The company made charitable donations of £140,000 during the year (1998: £nil)

Year 2000

The company has undertaken a review of its compliance with year 2000 issues. As the company has a continuous programme of information technology development, the incremental costs incurred during the year ended 31 July 1999 and anticipated in the future are not expected to be significant.

Sudbury House Hotel Limited

Directors' Report - year ended 31 July 1999 (continued)

Statement of Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

Auditors

A resolution was passed in the year to dispense with the annual appointment of auditors under Section 386 Companies Act 1985.

By order of the board



R A C Sears
Secretary

Date 22/09/1999

Auditors' report to the members of Sudbury House Hotel Limited

We have audited the financial statements on pages 4 to 10 which have been prepared under the historical cost convention, and the accounting policies set out on page 6, and have also examined the financial statements of the company for the year ended 31st July 1999.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report, including as described on page 2 the financial statements. Our responsibilities, as independent auditors, are established by statute, the Auditing Practices Board and our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act. We also report to you if, in our opinion, the directors report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

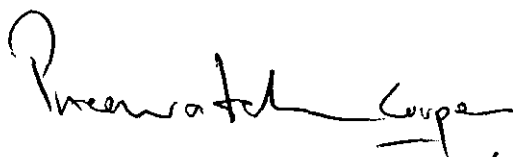
Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of any significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company at 31 July 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers

Chartered Accountants and
Registered Auditors

St Albans 22/09/1999

Sudbury House Hotel Limited

Profit and Loss Account for the year ended 31 July 1999

	Note	1999 £	1998 £
Turnover	2	1,243,478	1,214,557
Cost of sales		(192,730)	(222,792)
Gross profit		1,050,748	991,765
Administrative expenses		(909,048)	(939,725)
Operating profit		141,700	52,040
Interest receivable and similar income		8,533	4,014
Charitable gift		(140,000)	-
Profit on ordinary activities before taxation	3	10,233	56,054
Tax on profit on ordinary activities	5	13,366	(14,765)
Profit for the financial year		23,599	41,289

There were no recognised gains or losses other than the profit for the year, all of which arose from continuing activities.

The notes on pages 6 to 10 form part of these financial statements.

Sudbury House Hotel Limited

Balance Sheet at 31 July 1999

	Note	1999 £	1998 £
Fixed assets			
Tangible assets	6	132,791	91,437
Current assets			
Stocks	7	27,485	19,888
Debtors	8	143,882	195,253
Cash at bank and in hand (including short term deposits)		158,321	172,606
		<u>329,688</u>	<u>387,747</u>
Creditors: amounts falling due within one year	9	(191,102)	(231,406)
		<u> </u>	<u> </u>
Net current assets		138,586	156,341
		<u> </u>	<u> </u>
Net assets		<u>271,377</u>	<u>247,778</u>
Capital and reserves			
Called up share capital	10	140,100	140,100
Profit and loss account	11	131,277	107,678
		<u> </u>	<u> </u>
Equity shareholders' funds	12	<u>271,377</u>	<u>247,778</u>

These financial statements were approved by the Board of Directors on 22/09/1999 and were signed on its behalf by:

Robert Howard

Director

The notes set out on pages 6 to 10 form part of these financial statements

Sudbury House Hotel Limited

Notes to the financial statements - year ended 31 July 1999

1 Accounting Policies

Basis of accounting

These financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards.

The accounting policies adopted by the company have been applied consistently, both within these financial statements and from one financial year to another.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Depreciation

Depreciation has been computed to write off the cost of tangible fixed assets on a straight line basis over their expected useful lives using the following rates:

Leasehold improvements	10%
Furniture & equipment	20%
Motor vehicles	25%

Leasing

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution scheme on behalf of all of its employees. The scheme's assets are held separately from those of the company. Amounts charged against profits represent the employer's contributions for the current year.

Deferred taxation

Deferred taxation is provided against accelerated capital allowances and other material timing differences only to the extent that a net liability is expected to crystallise. Provision for deferred taxation is made at the anticipated rate of corporation tax for the year in which timing differences are expected to reverse.

Cash flow statement

The company has not prepared a cash flow statement on the grounds that it is exempt under the provisions of FRS1.

Related party transactions

The company has taken advantage of the exemption provisions of FRS8 and has not made disclosure of related party transactions in respect of group companies.

2 Turnover

Turnover represents amounts receivable in the ordinary course of business for goods and services provided, excluding value added tax, and is attributable solely to the operation of Sudbury House Hotel.

Sudbury House Hotel Limited

Notes to the financial statements - year ended 31 July 1999 (continued)

3 Profit on ordinary activities before taxation

This is stated after charging:

	1999 £	1998 £
Depreciation	24,692	26,117
Loss on disposal of fixed assets	-	1,092
Auditors' remuneration - audit	5,000	4,200
Auditors' remuneration - other services	730	3,900
Operating lease rentals - land and buildings	105,202	101,455
Operating lease rentals - other	3,374	3,372
	<u> </u>	<u> </u>

4 Directors' and employees' remuneration

The average number of persons, including the directors, employed by the company during the year was as follows:

	1999 Number	1998 Number
Administration	6	5
Restaurant, bar and accommodation	43	42
	<u> </u>	<u> </u>
	49	47
	<u> </u>	<u> </u>

Their aggregate remuneration amounted to:

	1999 £	1998 £
Wages and salaries	381,898	379,327
Social security costs	25,963	25,223
Other pension costs	8,320	5,452
	<u> </u>	<u> </u>
	416,181	410,002
	<u> </u>	<u> </u>

None of the directors received any remuneration in respect of their services to the company during the year. Consultancy fees of £16,250 (1998: £15,750) were paid during the year to Dawson Howard International, a firm in which the chairman is a partner. The chairman waived director's fees of £1,000.

5 Tax on profit on ordinary activities

	1999 £	1998 £
UK corporation tax at 20.67% (1998: 31%)	-	19,981
Overprovision in respect of prior years	(13,366)	(5,216)
	<u> </u>	<u> </u>
	(13,366)	14,765
	<u> </u>	<u> </u>

Sudbury House Hotel Limited

Notes to the financial statements - year ended 31 July 1999 (continued)

6 Tangible Assets

	Leasehold improvements £	Furniture & equipment £	Total £
Cost			
At 1 August 1998	12,400	156,795	169,195
Additions	50,867	15,179	66,046
Disposals	-	(49,509)	(49,509)
At 31 July 1999	<u>63,267</u>	<u>122,465</u>	<u>185,732</u>
Accumulated depreciation			
At 1 August 1998	2,543	75,215	77,758
Charge for year	1,240	23,452	24,692
Disposals	-	(49,509)	(49,509)
At 31 July 1999	<u>3,783</u>	<u>49,158</u>	<u>52,941</u>
Net book amount			
At 31 July 1999	<u>59,484</u>	<u>73,307</u>	<u>132,791</u>
At 31 July 1998	<u>9,857</u>	<u>81,580</u>	<u>91,437</u>

7 Stocks

	1999 £	1998 £
Raw materials and consumables	<u>27,485</u>	<u>19,888</u>

8 Debtors

	1999 £	1998 £
Trade debtors	106,967	171,159
Amounts due from holding body	2,047	6,771
Amounts due from other group undertakings	20,185	-
Prepayments and accrued income	14,683	17,323
	<u>143,882</u>	<u>195,253</u>

Sudbury House Hotel Limited

Notes to the financial statements - year ended 31 July 1999 (continued)

9 Creditors: amounts falling due within one year

	1999	1998
	£	£
Trade creditors	84,069	91,519
Amounts owed to holding body	522	7,059
Amounts owed to other group undertakings	734	502
Corporation tax	6,615	19,981
Other taxation and social security	32,006	33,095
Other creditors	1,380	969
Accruals and deferred income	65,776	78,281
	<u>191,102</u>	<u>231,406</u>

10 Called up share capital

	1999	1998
	£	£
Authorised: 1,000,000 ordinary shares of £1 each	1,000,000	1,000,000
	<u>140,100</u>	<u>140,100</u>

There were no changes during the year.

11 Reserves

	£
Profit and loss account	
Balance at 31 July 1998	107,678
Profit for the financial year	23,599
Balance at 31 July 1999	<u>131,277</u>

12 Reconciliation of movements in equity shareholders' funds

	1999	1998
	£	£
Opening shareholders' funds	247,778	206,489
Profit for the financial year	23,599	41,289
Closing shareholders' funds	<u>271,377</u>	<u>247,778</u>

Sudbury House Hotel Limited

Notes to the financial statements - year ended 31 July 1999 (continued)

13 Annual commitments under operating leases

The minimum annual commitment under non-cancellable operating leases at 31 July 1999 amounted to:

	1999		1998	
	£ Land & buildings	£ Other	£ Land & buildings	£ Other
Leases expiring between 2 and 5 years	-	3,374	-	3,372
Leases expiring after more than 5 years	80,000	-	80,000	-
	<u>80,000</u>	<u>3,374</u>	<u>80,000</u>	<u>3,372</u>

14 Capital commitments and guarantees

At 31 July 1999 the company had the following capital commitments

	1999 £	1998 £
Authorised and contracted for	41,803	-
Authorised but not contracted for	-	28,400
	<u>41,803</u>	<u>28,400</u>

15 Ultimate holding body

The company's immediate parent undertaking is Cranfield Ventures Limited, a company registered in England and Wales.

The ultimate holding body is Cranfield University, which is incorporated under Royal Charter in Great Britain.

Copies of the financial statements are available from;

Cranfield University
Cranfield
Bedford
MK43 0AL