

**THE VINEYARD AT STOCKCROSS LIMITED**  
**DIRECTORS' REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2000**

Company No. 2233431



# **THE VINEYARD AT STOCKCROSS LIMITED**

## **COMPANY INFORMATION**

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### **Directors**

Malcolm V Morris  
Margaret V Morris  
Andrew G McKenzie (Appointed  
01/12/00)  
Peter G Gubb (Appointed  
05/01/01)

### **Secretary**

Margaret V Morris

### **Company number**

2233431

### **Registered office**

Stockcross  
Newbury  
Berkshire  
RG16 8JU

### **Auditors**

Feltons  
12 Sheet Street  
Windsor  
Berkshire  
SL4 1BG

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# **THE VINEYARD AT STOCKCROSS LIMITED**

## **CONTENTS**

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	<b>Page</b>
<b>Directors' report</b>	1 to 2
<b>Auditors' report</b>	3
<b>Profit and loss account</b>	4
<b>Balance sheet</b>	5
<b>Notes to the accounts</b>	6 to 12

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# **THE VINEYARD AT STOCKCROSS LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31ST DECEMBER 2000**

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The directors present their report and the audited accounts for the company for the year ended 31st December 2000.

#### **Principal activities and review of business**

The company's principal activity will continue to be that of running a restaurant, hotel and other related activities.

#### **Results and dividends**

The results for the year are set out in the profit and loss account on page 4.

The directors consider the loss achieved on ordinary activities before taxation to be £1,463,616, (1999:£3,438,805)

#### **Dividends**

The directors do not recommend a dividend.

#### **Review of Financial Position and Future Developments**

During the year a major programme of refurbishment continued. The Directors are continuing to monitor the options to enable the company to react to changes in market requirements and to take advantage of the altering economic position.

#### **Directors**

The directors who served during the year were

Malcolm V Morris

Margaret V Morris

Andrew G McKenzie (Appointed 01/12/00)

No director had any interest in the issued share capital of the company.

#### **Political and charitable contributions**

During the year the company made the following political and charitable contributions:

Charitable Donations	£ 3,410
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#### **Statement of directors' responsibilities**

Company law requires the directors to prepare accounts 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 year. In preparing those accounts 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 accounts;

# THE VINEYARD AT STOCKCROSS LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31ST DECEMBER 2000

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Prepare the accounts on the going concern basis unless it is inappropriate to presume 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 enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Auditors

Feltons have indicated that they are willing to be reappointed at the forthcoming Annual General Meeting.

By order of the Board



Margaret V Morris, Secretary  
Date:

Stockcross  
Newbury  
Berkshire  
RG16 8JU

Date: 17/08/2001

## AUDITORS' REPORT TO THE

## SHAREHOLDERS OF THE VINEYARD AT STOCKCROSS LIMITED

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We have audited the financial statements on pages 4 to 12 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets, and the accounting policies set out on page 6.

### Respective responsibilities of directors and auditors

As described on page 1 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and report our opinion to you.

### 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 the 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 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 the information in the financial statements.

### Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st December 2000 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

  
**Feltons**  
**Chartered Accountants and Registered Auditors**

12 Sheet Street

Windsor

Berks

SL4 1BG

Date: 20 / 08 / 2001

# THE VINEYARD AT STOCKCROSS LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 2000

	Notes	2000 £	1999 £
Turnover	2	3,170,110	1,499,385
Cost of sales		(1,103,485)	(547,931)
Gross profit		2,066,625	951,454
Administrative expenses		(3,327,465)	(4,177,375)
Operating (Loss)	3	(1,260,840)	(3,225,921)
Interest receivable	4	3,833	2,649
Interest payable and similar charges	5	(197,703)	(215,533)
(Loss) on Ordinary Activities before Taxation		(1,454,710)	(3,438,805)
Tax on (loss) on ordinary activities		-	-
(Loss) for the Financial Year	16	(1,454,710)	(3,438,805)
Retained loss brought forward		(7,823,044)	(4,384,239)
Retained loss carried forward		(9,277,754)	(7,823,044)

All amounts relate to continuing activities.

There were no recognised gains or losses for 2000 or 1999 other than those included in the profit and loss account.

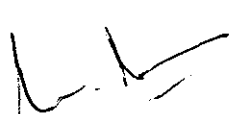
# THE VINEYARD AT STOCKCROSS LIMITED

## BALANCE SHEET

AS AT 31ST DECEMBER 2000

	Notes	£	2000 £	£	1999 £
<b>Fixed assets</b>					
Tangible assets	7		12,213,691		12,345,095
Investments	8		192,308		192,308
			<u>12,405,999</u>		<u>12,537,403</u>
<b>Current assets</b>					
Stocks	10	1,132,331		605,727	
Debtors	11	519,241		513,638	
Cash at bank and in hand		282,383		1,533	
			<u>1,933,955</u>	<u>1,120,898</u>	
<b>Creditors: amounts falling due within one year</b>	12	(773,498)		(922,934)	
<b>Net current assets</b>			<u>1,160,457</u>		<u>197,964</u>
<b>Total assets less current liabilities</b>			<u>13,566,456</u>		<u>12,735,367</u>
<b>Creditors: amounts falling due after more than one year</b>	13	19,187,650		16,901,851	
			19,187,650		16,901,851
<b>Capital and reserves</b>					
Share capital	15	2,867,895		2,867,895	
Share premium account	16	20,587		20,587	
Revaluation reserve	16	768,078		768,078	
Profit and loss account	16	(9,277,754)		(7,823,044)	
<b>Shareholders' funds</b>	17		<u>(5,621,194)</u>		<u>(4,166,484)</u>
			<u>13,566,456</u>		<u>12,735,367</u>

These accounts were approved by the board on 17 August 2001 and signed on its behalf by:

  
 Malcolm V Morris  
 Director



# THE VINEYARD AT STOCKCROSS LIMITED

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31ST DECEMBER 2000

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#### 1 Accounting policies

##### Basis of accounting

The Financial Statements have been prepared in accordance with applicable Accounting Standards under the historical cost convention, as modified by the revaluation of certain fixed assets.

The company has taken advantage of the exemptions in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is a wholly owned subsidiary.

##### Consolidation

The accounts contain information about The Vineyard at Stockcross Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under section 248 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as the group it heads qualifies as a small group.

##### Turnover

Turnover comprises the value of sales excluding value added tax and trade discounts.

##### Tangible fixed assets and depreciation

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets other than freehold land by equal annual instalments over their expected useful lives. The rates and periods generally applicable are:

Plant and machinery	5-50%
Motor vehicles	25%
Fixtures and fittings	20-50%

Depreciation is not provided on freehold property because it is the company's practice to maintain the property in a continual state of sound repair and to extend and make improvements thereto from time to time. The useful economic life of the asset is thus so long and residual value so high that any depreciation would not be material. Any permanent diminution in the value of freehold property is charged to the profit and loss account as it arises.

Government grants in respect of capital expenditure are credited to a deferred income account and are released to the profit and loss account by equal annual instalments over the expected useful lives of the relevant assets.

##### Investments

Investments are included at cost less amounts written off. Profits or losses arising from disposals of fixed asset investments are treated as part of the result from ordinary activities.

##### Stocks

Stocks are stated at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items.

# THE VINEYARD AT STOCKCROSS LIMITED

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31ST DECEMBER 2000

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#### Deferred taxation

Deferred tax is provided for under the liability method using the tax rates estimated to arise when the timing differences reverse and is accounted for to the extent that it is probable that a material liability or asset will crystallise. Unprovided deferred tax is disclosed as a contingent liability.

#### Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date.

#### 2 Turnover

The turnover was derived from the company's principal activity which was carried out wholly in the UK.

#### 3 Operating loss

*The operating loss is arrived at after charging or crediting:*

	2000	1999
	£	£
Depreciation of tangible fixed assets:		
-owned assets	478,948	391,983
Profit on disposal of fixed assets	(9,574)	-
Directors' remuneration (including pension contributions)	-	4,121
Auditors' remuneration	5,610	6,000

#### 4 Interest receivable

Bank interest receivable

2000	1999
£	£
3,833	2,649

#### 5 Interest payable and similar charges

Interest payable on bank loans and overdrafts  
Interest payable on other loans

2000	1999
£	£
197,590	215,533
113	-
197,703	215,533

# THE VINEYARD AT STOCKCROSS LIMITED

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31ST DECEMBER 2000

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#### 6 Directors and Employees

Staff costs, including directors' remuneration, were as follows:

	2000	1999
	£	£
Wages and salaries	1,298,892	1,030,196
Social security costs	115,715	86,065
Other pension costs	14,336	19,561
	<u>1,428,943</u>	<u>1,135,822</u>

The average monthly number of employees, including directors, during the year was as follows:

	2000	1999
	Number	Number
Management and Administration	29	9
Sales and Marketing	7	6
Operational	75	82
	<u>111</u>	<u>97</u>

Directors' emoluments

	2000	1999
	£	£
Aggregate emoluments	-	4,121
	<u>-</u>	<u>4,121</u>

# THE VINEYARD AT STOCKCROSS LIMITED

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31ST DECEMBER 2000

#### 7 Tangible fixed assets

	Land, Buildings and Fixtures £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
<b>Cost or Valuation</b>					
At 1st January 2000	10,963,713	1,722,018	81,050	1,274,617	14,041,398
Additions	177,092	33,942	30,104	106,406	347,544
Disposals	-	-	(19,995)	(10,000)	(29,995)
<b>At 31st December 2000</b>	<b>11,140,805</b>	<b>1,755,960</b>	<b>91,159</b>	<b>1,371,023</b>	<b>14,358,947</b>
<b>Depreciation</b>					
At 1st January 2000	-	723,781	47,950	924,572	1,696,303
Charge for the year	-	372,710	21,457	84,781	478,948
Disposals	-	-	(19,995)	(10,000)	(29,995)
<b>At 31st December 2000</b>	<b>-</b>	<b>1,096,491</b>	<b>49,412</b>	<b>999,353</b>	<b>2,145,256</b>
<b>Net book value</b>					
<b>At 31st December 2000</b>	<b>11,140,805</b>	<b>659,469</b>	<b>41,747</b>	<b>371,670</b>	<b>12,213,691</b>
<i>At 31st December 1999</i>	<i>10,963,713</i>	<i>998,237</i>	<i>33,100</i>	<i>350,045</i>	<i>12,345,095</i>
			<b>31st December 2000</b>	<b>1st January 2000</b>	
			<b>£</b>	<b>£</b>	
Cost			<b>10,372,727</b>	<b>10,195,635</b>	

#### 8 Fixed asset investments

	Shares in Group Under- takings £	Total £
<b>Cost and Net Book Value</b>		
<b>At 31st December 2000</b>	<b>192,308</b>	<b>192,308</b>
<i>At 31st December 1999</i>	<i>192,308</i>	<i>192,308</i>

# THE VINEYARD AT STOCKCROSS LIMITED

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31ST DECEMBER 2000

#### 9 Shares in group undertakings

The company holds 100% of the ordinary share capital of the following companies:

Name of company and registered office	Country of Incorporation & registration	Principle Activities	Share capital and reserves	Profit/(Loss) for Year
Knights Valley Hotels Limited	England	Dormant	£92,308	Nil
Foley Lodge Limited	England	Dormant	£100,000	Nil

<b>10</b>	<b>Stocks</b>	<b>2000</b>	<b>1999</b>
		<b>£</b>	<b>£</b>
	Finished goods and goods for resale	<b>1,132,331</b>	<b>605,727</b>
		<b>1,132,331</b>	<b>605,727</b>
<b>11</b>	<b>Debtors</b>	<b>2000</b>	<b>1999</b>
		<b>£</b>	<b>£</b>
	Trade debtors	<b>256,671</b>	<b>167,436</b>
	Amounts owed by related parties	<b>198,079</b>	<b>212,287</b>
	Other debtors	<b>77</b>	<b>79,961</b>
	Prepayments and accrued income	<b>64,414</b>	<b>53,954</b>
		<b>519,241</b>	<b>513,638</b>
<b>12</b>	<b>Creditors: amounts falling due within one year</b>	<b>2000</b>	<b>1999</b>
		<b>£</b>	<b>£</b>
	Bank loans and overdrafts (Note 14)	<b>190,900</b>	<b>302,723</b>
	Trade creditors	<b>247,555</b>	<b>460,930</b>
	Amounts owed to associated undertakings	<b>84,009</b>	<b>-</b>
	Other taxes and social security	<b>49,438</b>	<b>-</b>
	Other creditors	<b>12,506</b>	<b>29,222</b>
	Accruals and deferred income	<b>189,090</b>	<b>130,059</b>
		<b>773,498</b>	<b>922,934</b>

The bank loan is secured by a fixed and floating charge over all of the company's assets.

<b>13</b>	<b>Creditors: amounts falling due after more than one year</b>	<b>2000</b>	<b>1999</b>
		<b>£</b>	<b>£</b>
	Bank loan (Note 14)	<b>1,820,339</b>	<b>2,014,543</b>
	Amounts owed to associated undertakings (Note 14)	<b>17,367,311</b>	<b>14,887,308</b>
		<b>19,187,650</b>	<b>16,901,851</b>

The bank loan is secured by a fixed and floating charge over all of the company's assets.

# THE VINEYARD AT STOCKCROSS LIMITED

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31ST DECEMBER 2000

<b>14</b>	<b>Loans and borrowings</b>	<b>2000</b>	<b>1999</b>
		<b>£</b>	<b>£</b>
	<b>Analysis of loans</b>		
	Bank loans and overdraft	2,011,239	2,317,266
	Amounts owed to associated undertakings	17,367,311	14,887,308
		<u>19,378,550</u>	<u>17,204,574</u>
	<b>Maturity of debt</b>		
	In one year or less, or on demand	190,900	302,723
	In more than one year, but not more than two years	17,577,515	15,078,308
	In more than two years, but not more than five years	1,019,996	825,000
	In more than five years	590,139	998,543
		<u>19,378,550</u>	<u>17,204,574</u>
	<b>Loans payable by instalments</b>		
	Amounts included in creditors and payable in more than five years	590,139	998,543
		<u>590,139</u>	<u>998,543</u>
<b>15</b>	<b>Share capital</b>	<b>2000</b>	<b>1999</b>
		<b>£</b>	<b>£</b>
	<b>Authorised</b>		
	<b>Equity shares</b>		
	4,800,000 Ordinary shares of £1.00 each	4,800,000	4,800,000
		<u>4,800,000</u>	<u>4,800,000</u>
	<b>Issued</b>		
	<b>Equity shares</b>		
	2,867,895 Allotted, called up and fully paid ordinary shares of £1.00 each	2,867,895	2,867,895
		<u>2,867,895</u>	<u>2,867,895</u>
<b>16</b>	<b>Reserves</b>		
		<b>Share premium account</b>	<b>Revaluation reserve</b>
		<b>£</b>	<b>£</b>
	At 1st January 2000	20,587	768,078
	Loss for the year	-	-
	<b>At 31st December 2000</b>	<u>20,587</u>	<u>768,078</u>
			<b>Profit and loss account</b>
			<b>£</b>
			(7,823,044)
			(1,454,710)
			<u>(9,277,754)</u>

# THE VINEYARD AT STOCKCROSS LIMITED

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31ST DECEMBER 2000

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**17 Reconciliation of movement in shareholders' funds**

	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Loss for the financial year	(1,454,710)	(3,438,805)
Decrease in the shareholders' funds	(1,454,710)	(3,438,805)
Opening shareholders' funds	(4,166,484)	(727,679)
Closing shareholders' funds	(5,621,194)	(4,166,484)

**18 Capital commitments**

	<b>2000</b>	<b>1999</b>
The company had the following capital commitments:		
	<b>£</b>	<b>£</b>
Contracted for but not provided in the financial statements	22,310	-

**19 Ultimate holding company**

The company's immediate parent, ultimate holding company and controlling party is Stockford Limited, a company incorporated in the United Kingdom and registered in England.

The Company has taken advantage of the exemption under FRS 8 regarding disclosure of related party transactions as it is a wholly owned subsidiary. The company's results are included in the consolidated financial statements of Stockford Limited.