

First Motorway Services Limited

Annual report for the year ended 31 March 2009

Registered no: 3126731

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First Motorway Services Limited

Annual report for the year ended 31 March 2009

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First Motorway Services Limited

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Directors and advisers

Directors

R Millar
N Richards
G Ward

Registered Auditors

PricewaterhouseCoopers LLP
One Kingsway
Cardiff
CF10 3PW

Secretary and registered office

G Ward
Magor Motorway Services
Junction 23a
M4 Motorway
Magor
Newport
Gwent
NP26 3YL

Solicitors

Eversheds LLP
1 Callaghan Square
Cardiff
CF10 5BT

Bankers

Lloyds TSB plc
42 Commercial Street
Newport
NP20 1WX

First Motorway Services Limited

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Directors' report for the year ended 31 March 2009

The directors have pleasure in presenting their report and the audited financial statements of First Motorway Services Ltd ("the company") for the year ended 31 March 2009.

Business review and principal activities

The company operates a chain of Motorway and Trunk Road Service Areas.

The results for the company show a pre-tax profit of £325,009 (2008: £683,646) for the year and sales of £5.9 million (2008: £6.9 million).

The company has net debt of £4.9 million (2008: £4.7 million).

Dividends have been paid in the year as follows:-

	2008 pence per share	2007 pence per share
Dividends on Ordinary shares		
Ordinary interim paid	260.0	150.0

A further dividend of 200 pence per share was paid in April 2009.

Future outlook

The external commercial environment is expected to remain competitive in 2009/10 as the large national chains that dominate the market continue to invest in their service areas.

On 18 June 2009, the company disposed of its interest in the Bolton site for £1.65 million.

We remain confident that we will maintain our current level of trading at our remaining sites in the future.

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks.

The key business risks and uncertainties affecting the company are considered to relate to competition and employee retention.

Key performance indicators ("KPIs")

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

Directors' report for the year ended 31 March 2009 (continued)

Financial risk management

The company's operations expose it to a variety of financial risks primarily related to the funding of the company. The company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company by monitoring levels of debt finance and the related finance costs. The company uses swap agreements to manage interest rate costs.

The directors are responsible for monitoring financial risk management. The policies set by the board of directors are implemented by the company's finance department.

Interest rate cash flow risk

The company has both interest bearing assets and interest bearing liabilities. Interest bearing assets include only cash balances, all of which earn interest at a variable rate. The company has a policy of maintaining debt at fixed rate to ensure certainty of future interest cash flows. The directors will revisit the appropriateness of this policy should the company's operations change in size or nature.

Directors

The names of the current directors are show on page 1. All the directors served throughout the year.

Charitable donations

The company made charitable donations of £500 during the year (2008: £500).

Disclosure of information to auditors

So far as each director is aware, there is no relevant audit information (that is, information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware.

Each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

PricewaterhouseCoopers LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

By order of the board

A handwritten signature in black ink, appearing to be 'G Ward', written over a horizontal line.

G Ward
Company secretary

First Motorway Services Limited

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Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 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 UK 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 presume that the company will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records that 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 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.

By order of the board

A handwritten signature in black ink, appearing to be 'G Ward', written over a horizontal line.

G Ward
Company secretary

Independent auditor's report to the members of First Motorway Services Limited

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We have audited the financial statements of First Motorway Services for the year ended 31 March 2009 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions is not disclosed.

We read other information contained in the Annual report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' report and all of the other information listed on the contents page. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2009 and of its profit and cash flows for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Cardiff

25 September 2009

First Motorway Services Limited

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Profit and loss account for the year ended 31 March 2009

	Notes	Continuing Operations 2009 £	Discontinued operations 2009 £	Total 2009 £	Total 2008 £
Turnover	3	4,682,071	1,257,138	5,939,209	6,897,256
Cost of sales		(2,864,226)	(955,075)	(3,819,301)	(4,193,120)
Gross profit		<u>1,817,845</u>	<u>302,063</u>	<u>2,119,908</u>	<u>2,704,136</u>
Operating expenses		(1,534,297)	(529,793)	(2,064,090)	(2,229,560)
Other operating income		413,715	141,309	555,024	569,788
Operating profit / (loss)		<u>697,263</u>	<u>(86,421)</u>	<u>610,842</u>	<u>1,044,364</u>
Interest receivable and similar income				24,407	45,870
Interest payable and similar charges	6			(310,240)	(406,588)
Profit on ordinary activities before taxation	7			<u>325,009</u>	<u>683,646</u>
Taxation	8			(109,150)	116,641
Profit for the financial year				<u>215,859</u>	<u>800,287</u>
Dividends	9			(260,000)	(150,000)
Retained (loss)/profit for the year	18			<u>(44,141)</u>	<u>650,287</u>

Disaggregated comparative information in respect of 2008 can be found in note 2 to the accounts.

Further details regarding the nature of the discontinued operations can be found in note 20 to the accounts.

Statement of total recognised gains and losses for the year ended 31 March 2009

	Notes	2009 £	2008 £
Profit for the financial year		215,859	800,287
Unrealised surplus on revaluation of properties	10	828,570	-
Total gains and losses recognised since last annual report		<u>1,044,429</u>	<u>800,287</u>

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Reconciliation of movements in shareholders' funds

	2009 £	2008 £
Profit for the financial year	215,859	800,287
Unrealised surplus on revaluation of properties	828,570	-
Dividends	(260,000)	(150,000)
Movement in shareholders' funds for the year	<u>784,429</u>	<u>650,287</u>
Opening shareholders' funds	<u>4,006,330</u>	<u>3,356,043</u>
Closing shareholders' funds	<u><u>4,790,759</u></u>	<u><u>4,006,330</u></u>

Note of historical cost profits and losses

	2009 £	2008 £
Reported profit on ordinary activities before taxation	325,009	683,646
Difference between a historical cost depreciation charge and the actual depreciation charge of the year calculated on the revalued amount	<u>125,009</u>	<u>125,009</u>
Historical cost profit on ordinary activities before taxation	<u>450,018</u>	<u>808,655</u>
Historical cost profits retained after taxation	<u><u>340,868</u></u>	<u><u>925,296</u></u>

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Balance sheet at 31 March 2009

	Notes	2009 £	2008 £
Fixed assets			
Tangible assets	10	10,962,709	10,437,096
Investments	11	1,000	-
		<u>10,963,709</u>	<u>10,437,096</u>
Current assets			
Stocks	12	239,520	295,735
Debtors	13	241,948	243,954
Cash at bank and in hand		794,199	1,355,509
		<u>1,275,667</u>	<u>1,895,198</u>
Creditors: amounts falling due within one year	14	<u>(1,312,995)</u>	<u>(1,738,376)</u>
Net current (liabilities)/assets		<u>(37,328)</u>	<u>156,822</u>
Total assets less current liabilities		<u>10,926,381</u>	<u>10,593,918</u>
Creditors: amounts falling due after more than one year	15	<u>(5,290,000)</u>	<u>(5,726,161)</u>
Provisions for liabilities and charges	16	(845,622)	(861,427)
Net assets		<u>4,790,759</u>	<u>4,006,330</u>
Capital and reserves			
Called up share capital	17	100,502	100,502
Revaluation reserve	18	3,448,947	2,745,386
Profit and loss account	18	1,241,310	1,160,442
Shareholders' funds		<u>4,790,759</u>	<u>4,006,330</u>

These financial statements were approved by the board of directors on 25th September 2009 and signed on their behalf by:



R Millar
Director



G Ward
Director

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Cash flow statement for the year ended 31 March 2009

	2009 £	2008 £
Net cash inflow from operating activities (see page 10)	572,463	1,606,940
Returns on investments and servicing of finance		
Interest received	24,407	45,870
Interest paid	(310,240)	(406,588)
Net cash outflow from returns on investments and servicing of finance	(285,833)	(360,718)
Taxation	(230,955)	(158,319)
Capital expenditure		
Purchase of tangible fixed assets	(25,239)	(39,313)
Equity dividends paid (see below)	(260,000)	(150,000)
Net cash (outflow)/inflow before financing	(229,564)	898,590
Financing:		
Repayment of capital on bank loans	(331,746)	(282,110)
(Decrease)/increase in cash (see page 10)	(561,310)	616,480

**Cash flow statement for
the year ended 31 March 2009**

Reconciliation of net cash flow to movement in net debt

	2009 £	2008 £
(Decrease)/increase in cash in the period	(561,310)	616,480
Cash movement on bank loans	331,746	282,110
Movement in net debt	(229,564)	898,590
Net debt at 1 April	(4,681,231)	(5,579,821)
Net debt at 31 March	(4,910,795)	(4,681,231)

Analysis of net debt

	At 31 March 2009 £	At 31 March 2008 £
Cash at bank and in hand	794,199	1,355,509
Debt due within 1 year: Bank loans	(414,994)	(310,579)
Debt due after 1 year: Bank loans	(5,290,000)	(5,726,161)
Total	(4,910,795)	(4,681,231)

Reconciliation of operating profit to net cash inflow from operating activities

	2009 £	2008 £
Operating profit	610,842	1,044,364
Depreciation	334,297	337,375
Reversal of previous impairment loss	(6,101)	-
Decrease in stocks	56,215	128,074
Decrease in debtors	2,006	282,789
(Decrease) in creditors	(424,796)	(185,662)
Net cash inflow from operating activities	572,463	1,606,940

**Notes to the financial statements
for the year ended 31 March 2009 (continued)****Notes to the financial statements
for the year ended 31 March 2009****1 Principal accounting policies**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently unless otherwise stated, is set out below.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention as modified by the revaluation of certain tangible fixed assets.

Preparation of consolidated accounts

As the company's only subsidiary is dormant, the company has taken advantage of the exemption afforded by the Companies Act 1985 in regard to the preparation of consolidated accounts.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the period, exclusive of Value Added Tax.

Fixed assets

The cost of tangible fixed assets is their purchase cost, together with any incidental expenses of acquisition, except for freehold and leasehold properties that are held at their depreciated re-valued amounts.

Revaluations are conducted on an open market basis and in accordance with the RICS Appraisal and Valuation manual every 5 years, and updated after 3 years.

Depreciation is calculated, commencing in the quarter after purchase, so as to write off the cost of tangible fixed assets, less their estimated residual values over the useful economic lives of the assets concerned.

The principal annual rates and bases used for this purpose are as follows:

Freehold Land	Nil
Leasehold Property	Over the unexpired lease term on a straight line basis
Computer equipment	33% reducing balance
Fixtures and fittings	10% reducing balance

Pension scheme arrangements

The company operates a defined contribution pension scheme. Pension contributions are charged to the profit and loss account when due.

**Notes to the financial statements
for the year ended 31 March 2009 (continued)**

1 Principal accounting policies (continued)

Stocks

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

Operating lease agreements

Rentals under operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits as incurred.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and/or from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

2 Analysis of prior year profit and loss account

	Continuing operations 2008 £	Discontinued operations 2008 £	Total 2008 £
Turnover – continuing operations	5,208,445	1,688,811	6,897,256
Cost of sales	(3,063,446)	(1,129,674)	(4,193,120)
Gross profit	<u>2,144,999</u>	<u>559,137</u>	<u>2,704,136</u>
Net operating expenses	(1,713,986)	(515,574)	(2,229,560)
Other operating income	398,018	171,770	569,788
Operating profits	<u>829,031</u>	<u>215,333</u>	<u>1,044,364</u>

Further details regarding the nature of the discontinued operations can be found in note 20 to the accounts.

3 Turnover

Turnover consists entirely of sales made in the United Kingdom.

**Notes to the financial statements
for the year ended 31 March 2009 (continued)**

4 Employee information

The average monthly number of persons (including executive directors) employed by the company during the financial year was:

	2009 Number	2008 Number
By activity:		
Retail and services	153	160
Administration	14	13
	<hr/>	<hr/>
	167	173
	<hr/>	<hr/>

Staff costs (for the above persons)

	2009 £	2008 £
Wages and salaries	1,673,565	1,818,412
Social security costs	100,157	113,447
Pension costs	51,394	53,099
	<hr/>	<hr/>
	1,825,116	1,984,958
	<hr/>	<hr/>

5 Directors' emoluments

The combined remuneration of the directors for their services as directors of the company is set out below:

	2009 £	2008 £
Aggregate emoluments and other benefits	259,625	241,191
Company pension contributions	42,664	45,341
	<hr/>	<hr/>

Retirement benefits are accruing to three (2007: three) directors under a defined contribution scheme.

Highest paid director

	2009 £	2008 £
Aggregate emoluments and other benefits	124,623	124,514
Company pension contributions	27,793	30,750
	<hr/>	<hr/>

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Notes to the financial statements for the year ended 31 March 2009 (continued)

6 Interest payable and similar charges

	2009	2008
	£	£
Interest payable on bank loans	310,240	406,588

**Notes to the financial statements
for the year ended 31 March 2009 (continued)**

7 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging/(crediting):-

	2009	2008
	£	£
Depreciation	334,297	337,375
Reversal of previous impairment losses	(6,101)	-
Auditors' remuneration		
Audit services	15,500	14,750
Tax services	5,000	8,050
Operating leases:		
Land and buildings	187,202	178,242
	<u>187,202</u>	<u>178,242</u>

8 Tax on profit on ordinary activities

(a) Analysis of tax charge in the year

	2009	2008
	£	£
The charge based on the profit for the year comprises:		
UK corporation tax:		
Current year	125,000	231,000
Adjustments in respect of prior periods	(45)	(3,680)
Total current tax (Note 7b)	<u>124,955</u>	<u>227,320</u>
Deferred tax:		
Origination and reversal of timing differences	(15,805)	(263,602)
Adjustments in respect of prior periods	-	(80,359)
Total deferred tax	<u>(15,805)</u>	<u>(343,961)</u>
Tax on profit on ordinary activities	<u>109,150</u>	<u>(116,641)</u>

(b) Factors affecting tax charge for the year

	2009	2008
	£	£
Profit before tax	325,009	683,646
Profit before tax at the UK standard rate of 28% (2008: 30%)	91,003	205,094
Effects of:		
Net expenses not deductible	35,661	37,592
Capital allowances in excess of depreciation	15,805	5,162
Adjustment in respect of prior periods	(45)	(3,680)
Small companies rate of taxation relief	(17,469)	(16,848)
Total current tax charge for the year	<u>124,955</u>	<u>227,320</u>

**Notes to the financial statements
for the year ended 31 March 2009 (continued)**

9 Dividends and appropriations

	2009 £	2008 £
Dividends on Ordinary shares		
Ordinary – interim paid of £2.60 (2008 : £1.50) per share	260,000	150,000

10 Tangible fixed assets

	Freehold Property £	Short Leasehold Property £	Computer Equipment £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 April 2008	1	11,187,515	73,956	2,393,546	13,655,018
Additions	-	-	1,315	23,924	25,239
At 31 March 2009	1	11,187,515	75,271	2,417,470	13,680,257
Depreciation					
At 1 April 2008	-	1,168,332	68,243	1,981,347	3,217,922
Charge for the year	-	289,757	2,124	42,416	334,297
Surplus on revaluation	-	(828,570)	-	-	(828,570)
Reversal of previous impairment charges	-	(6,101)	-	-	(6,101)
At 31 March 2009	-	623,418	70,367	2,023,763	2,717,548
Net book value					
At 31 March 2009	1	10,564,097	4,904	393,707	10,962,709
At 31 March 2008	1	10,019,183	5,713	412,199	10,437,096

The company has adopted a policy of revaluing its leasehold property. The company's leasehold properties at Magor and Symonds Yat were subject to independent valuation by Christie & Co, Chartered Surveyors on 14 September 2009 at £9 million. The valuation was prepared on the basis of Open Market Value on the basis of being fully equipped operational entities, having regard to their trading potential and was made in accordance with the RICS Appraisal and Valuation Manual. This valuation has been included within the value of short leasehold property shown above.

In addition, as noted in note 19 to these accounts – “Subsequent Events”, the company's interest in the Bolton site was disposed of on 18 June 2009 for £1.65 million.

**Notes to the financial statements
for the year ended 31 March 2009 (continued)**

10 Tangible fixed assets (continued)

If the leasehold properties had not been revalued, then they would have been included at the following amounts:

	2009 £	2008 £
Cost	7,693,166	7,693,166
Aggregate depreciation based on cost	(1,297,364)	(1,132,616)
Historical cost net book value	<u>6,395,802</u>	<u>6,560,550</u>

11 Investments

	Subsidiary companies £
Cost and net book value	
At 1 April 2008	-
Additions	1,000
At 31 March 2009	<u>1,000</u>

Investments in subsidiary companies comprises a 100% shareholding in First Motorway Services (Bolton) Limited, a company incorporated in the United Kingdom. At 31 March 2009, this company was dormant and had net assets of £1,000.

12 Stocks

	2009 £	2008 £
Goods for resale	<u>239,520</u>	<u>295,735</u>

13 Debtors

	2009 £	2008 £
Unpaid share capital	2	2
Trade debtors	162,291	180,676
Prepayments and accrued income	79,655	63,276
	<u>241,948</u>	<u>243,954</u>

**Notes to the financial statements
for the year ended 31 March 2009 (continued)**

14 Creditors: amounts falling due within one year

	2009 £	2008 £
Bank loans (secured) (see note 15)	414,994	310,579
Amounts due to group companies	1,000	-
Trade creditors	372,715	521,204
Other taxation and social security	160,411	208,109
Corporation tax	125,000	231,000
Other creditors, accruals and deferred income	238,875	467,484
	<u>1,312,995</u>	<u>1,738,376</u>

15 Creditors: amounts falling due after more than one year

	2009 £	2008 £
Bank loans (secured)	5,290,000	5,726,161
Bank loans are repayable as follows:		
In one year or less	414,994	310,579
Between one and two years	422,000	330,557
Between two and five years	1,300,000	1,548,967
After five years	3,568,000	3,846,637
	<u>5,704,994</u>	<u>6,036,740</u>

The company has entered into an agreement with its Bankers by means of which the Bankers have made available a term loan, which is repayable by means of a predetermined schedule of instalments. Interest is charged at 1.25% above base rate.

The bank loans are secured by 1st legal charges over the company's property assets.

As noted in note 20, "Subsequent Events", approximately £1.2m of the consideration received on the sale of the company's Bolton site has been used to pay down the bank loan.

16 Deferred taxation

The movement in the provision for deferred taxation is set out below:	2009 £	2008 £
At start of year	861,427	1,205,388
Profit and loss account (note 8)	(15,805)	(343,961)
At end of year	<u>845,622</u>	<u>861,427</u>

**Notes to the financial statements
for the year ended 31 March 2009 (continued)**

16 Deferred taxation (continued)

The elements of the deferred taxation are as follows:

	2009		2008	
	Provided £	Unprovided £	Provided £	Unprovided £
Accelerated capital allowances	845,622	-	861,427	-
Revaluation gains	-	978,419	-	1,038,423
	<u>845,622</u>	<u>978,419</u>	<u>861,427</u>	<u>1,038,423</u>

17 Share capital

	2009 £	2008 £
Authorised		
100,000 Ordinary shares of £1 each	100,000	100,000
2 (2008: 2) Special ordinary shares of £1 each	2	2
50,000 (2008: 50,000) Ordinary "B" shares of 1p each	500	500
	<u> </u>	<u> </u>
Allotted and called up		
2 (2008: 2) Special ordinary shares of £1 each	2	2
	<u> </u>	<u> </u>
Allotted, called up and fully paid		
100,000 Ordinary shares of £1 each	100,000	100,000
50,000 Ordinary "B" shares of 1p each	500	500
	<u>100,502</u>	<u>100,502</u>

The Ordinary shares have voting rights of one vote per share. The Ordinary shares carry no right to dividends and, on winding up, the holders are entitled to £1 per share.

The Special ordinary shares are afforded certain rights contained in a non-embarrassment agreement entered into between the company and the holders of the special ordinary shares.

The "B" Ordinary shares have voting rights of one vote per share. The "B" Ordinary shares carry no right to dividends and, on winding up, the holders are entitled to £0.01 per share.

**Notes to the financial statements
for the year ended 31 March 2009 (continued)**

18 Reserves

	Revaluation reserve	Profit and loss Account
	£	£
At 1 April 2008	2,745,386	1,160,442
Retained (loss) for the financial year	-	(44,141)
Unrealised surplus arising on revaluation	828,570	-
Revaluation surplus released to profit and loss	(125,009)	125,009
	<hr/>	<hr/>
At 31 March 2009	3,448,947	1,241,310
	<hr/>	<hr/>

19 Financial commitments

At 31 March the company had annual commitments under non-cancellable operating leases expiring as follows:-

	2009 Land and buildings £	2008 Land and buildings £
Within one year	-	-
Within two to five years	-	-
After five years	218,000	170,490
	<hr/>	<hr/>
	218,000	170,490
	<hr/>	<hr/>

The company has also provided a bank letter of credit to Burger King Limited for £150,000 (2008 : £150,000).

20 Subsequent events

In April 2009, the company paid a further dividend on ordinary shares of £2 per share.

On 18 June 2009, the company disposed of its interest in the Bolton site for £1.65 million. Approximately £1.2 million of the amounts receivable has been used to reduce the debts of the company.

21 Controlling party

No single individual or organisation has control over the company.