

**GEORGE (MOUNT STREET) LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 28 JUNE 2009**

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COMPANIES HOUSE

# **GEORGE (MOUNT STREET) LIMITED**

## **FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 28 JUNE 2009**

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**DIRECTORS AND OFFICERS**

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**DIRECTORS**

R Caring  
A Chadwyck-Healey  
J Lawrence

**SECRETARY**

L Copperthwaite

**COMPANY NUMBER**

3759332

**REGISTERED OFFICE**

44 Hays Mews  
London  
W1J 5QB

**AUDITORS**

Baker Tilly UK Audit LLP  
Chartered Accountants  
The Clock House  
140 London Road  
Guildford  
Surrey  
GU1 1UW

**SOLICITORS**

Olswang  
90 High Holborn  
London  
WC1V 6XX

**BANKERS**

Coutts & Co  
Media Banking Office  
440 Strand  
London  
WC2R 0QS

**DIRECTORS' REPORT**

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The directors submit their report and the financial statements for the period ended 28 June 2009.

**Principal activity**

The principal activity of the company, which has remained unchanged during the period, is the ownership and operation of a proprietary club "George".

**Results and dividends**

This report covers the 365 day period to 28 June 2009. Prior year comparatives cover the period to 29 June 2008.

Profit after taxation for the period amounted to £565,866 (2008: £255,429).

The directors do not recommend the payment of a final dividend (2008: £Nil).

**Directors**

The directors who served during the period were:

R Caring  
A Chadwyck-Healey  
J Lawrence

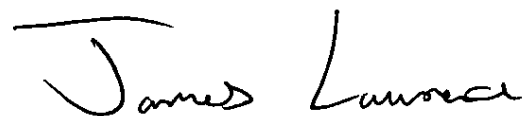
**Statement as to disclosure of information to auditors**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company auditors are unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company auditors are aware of that information.

**Auditors**

The auditor, Baker Tilly UK Audit LLP, Chartered Accountants, has indicated its willingness to continue in office.

By order of the Board,



**J Lawrence**  
Director

14/12 2009

**DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF  
FINANCIAL STATEMENTS**

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The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law 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). Under company law, the directors must not approve the financial statements unless they are satisfied that they 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:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GEORGE (MOUNT STREET) LIMITED**

We have audited the financial statements on pages 5 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As more fully explained in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/UKNP](http://www.frc.org.uk/apb/scope/UKNP).

### **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 28 June 2009 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

**BAKER TILLY UK AUDIT LLP**

Christopher Hurren (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

Chartered Accountants

The Clock House

140 London Road

Guildford

Surrey GU1 1UW

16 December 2009

**PROFIT AND LOSS ACCOUNT****FOR THE PERIOD ENDED 28 JUNE 2009**

	Note	Period ended 28 June 2009 £	Period ended 29 June 2008 £
<b>Turnover</b>	1	<b>4,281,314</b>	3,892,016
Cost of sales		(849,388)	(874,105)
<b>Gross profit</b>		<b>3,431,926</b>	3,017,911
Administration expenses		(2,547,664)	(2,604,448)
<b>Operating profit</b>		<b>884,262</b>	413,463
Interest receivable	2 (b)	34,709	23,295
Interest payable and similar charges	2 (a)	(305)	(1,872)
<b>Profit on ordinary activities before taxation</b>	3	<b>918,666</b>	434,886
Tax on profit on ordinary activities	5	(352,800)	(179,457)
<b>Profit for the financial period</b>	13	<b>565,866</b>	255,429

The operating profit for the period arises from the company's continuing operations.

No separate statement of total recognised gains and losses has been presented, as all such gains and losses have been dealt with in the profit and loss account.

**BALANCE SHEET – REGISTERED COMPANY NUMBER: 3759332**

**AT 28 JUNE 2009**

	Note	28 June 2009 £	29 June 2008 £
<b>Fixed assets</b>			
Tangible assets	6	1,863,193	2,114,938
<b>Current assets</b>			
Stock	7	55,052	44,659
Debtors	8	2,965,076	1,511,948
Cash at bank and in hand		21,833	236,025
		<u>3,041,961</u>	<u>1,792,632</u>
<b>Creditors: amounts falling due within one year</b>	9	(2,041,860)	(1,610,142)
<b>Net current assets/(liabilities)</b>		<u>1,000,101</u>	<u>182,490</u>
<b>Net assets</b>		<u>2,863,294</u>	<u>2,297,428</u>
<b>Capital and reserves</b>			
Called up share capital	11	3,499,883	3,499,883
Share premium reserve	12	884,904	884,904
Profit and loss account	13	(1,521,493)	(2,087,359)
<b>Shareholder's funds</b>	14	<u>2,863,294</u>	<u>2,297,428</u>

The financial statements on pages 5 to 14 were approved by the board of directors and authorised for issue on 14/12/2009 and are signed on its behalf by:



**J Lawrence**  
Director



**FINANCIAL STATEMENTS FOR THE PERIOD ENDED 28 JUNE 2009****ACCOUNTING POLICIES**

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The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements.

**Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement as it was a wholly owned subsidiary of MBH Group (UK) Limited for the entire period under review. The company's cash flows are included in the consolidated cash flow statement of MBH Group (UK) Limited.

**Turnover**

Turnover represents subscriptions earned and sales to members, net of valued added tax.

Subscriptions received are credited to the profit and loss account on an accruals basis. The proportion of subscriptions treated as unearned is carried forward at the balance sheet date and credited to the profit and loss account in the following year. Subscriptions are not repayable under any circumstances.

**Stock**

Stocks have been valued at the lower of cost and net realisable value.

**Tangible fixed assets**

Depreciation is provided on a straight line basis on all fixed assets at rates calculated to write off the cost over their expected useful lives as follows:

Leasehold properties	period of lease
Plant & equipment	between three and five years
Furniture, fixtures and fittings	between five and ten years

**Deferred taxation**

The charge for taxation takes into account taxation deferred as a result of material timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of all material timing differences that have originated but not reversed at the balance sheet date. However, deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be sustainable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred taxation is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

**Leased assets and obligations**

Annual rentals under operating leases are charged to the profit and loss account on an accruals basis.

**Pensions**

The company contributes to defined contribution pension schemes. The amount charged to the profit and loss account represents contributions payable by the company in respect of the financial period.

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 28 JUNE 2009**

**1. Turnover**

All turnover and the profit before taxation were generated by the company's proprietary club in the United Kingdom.

**2. Interest**

	Period ended 28 June 2009 £	Period ended 29 June 2008 £
<b>2(a). Interest payable &amp; similar charges</b>		
Bank interest payable	305	1,872
<b>2(b). Interest receivable</b>		
Bank interest	1,989	11,202
Other interest	3,979	-
Interest receivable from related company	28,741	12,093
	<u>34,709</u>	<u>23,295</u>

**3. Profit on ordinary activities before taxation**

	Period ended 28 June 2009 £	Period ended 29 June 2008 £
Profit on ordinary activities is stated after charging:		
Depreciation of fixed assets	303,358	287,018
Operating lease rentals:		
property	168,100	169,263
Audit fees	5,000	5,000
	<u></u>	<u></u>

**4. Employees**

	Period ended 28 June 2009	Period ended 29 June 2008
The average monthly number of persons (including directors) employed by the Company during the period was		
Catering	56	56
Administration	5	3
	<u>61</u>	<u>59</u>

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 28 JUNE 2009**

**4. Employees (continued)**

	Period ended 28 June 2009 £	Period ended 29 June 2008 £
Staff costs for the above persons:		
Wages and salaries	1,052,878	1,128,292
Social security costs	74,404	101,287
Other pension costs	6,695	4,484
	<u>1,133,977</u>	<u>1,234,063</u>

**Directors remuneration**

The directors did not receive any remuneration for their services during the period (2008: £Nil).

**Pension costs**

The total charge to the profit and loss account in the period in respect of defined contribution pension scheme was £6,695 (2008: £4,484). At the balance sheet date, there were no outstanding contributions (2008: £Nil).

**5. Taxation**

	Period ended 28 June 2009 £	Period ended 29 June 2008 £
Current tax:		
UK corporation tax on profits of the period	1,286	98,342
Payment for surrender of losses	334,967	81,115
Adjustments in respect of previous periods	(347)	-
Total current tax charge/(credit)	<u>335,906</u>	<u>179,457</u>
Deferred tax:		
Origination of timing differences (note 10)	16,894	-
Tax charge/(credit) on profit on ordinary activities	<u>352,800</u>	<u>179,457</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 28 JUNE 2009

5. Taxation (continued)

Factors affecting tax charge for the period

Profit on ordinary activities before tax	918,666	434,886
Profit on ordinary activities multiplied by the standard rate of Corporation tax in the UK of 28% (2008: 30%).	257,226	130,466
Effects of:		
Expenses not deductible for tax purposes	58,996	2,642
Transfer pricing adjustment	17,656	(4,917)
Depreciation in excess of capital allowances	2,803	51,266
Group relief	(334,967)	(81,115)
Small companies relief	(428)	-
Current tax charge for the period	1,286	98,342

6. Tangible fixed assets

	Leasehold property £	Plant & equipment £	Furniture, fixtures & fittings £	Total £
<b>Cost</b>				
At 30 June 2008	3,278,700	561,281	671,729	4,511,710
Additions	-	20,471	31,128	51,599
At 28 June 2009	3,278,700	581,752	702,857	4,563,309
<b>Depreciation</b>				
At 30 June 2008	1,396,261	530,799	469,712	2,396,772
Charge in the period	210,599	18,570	74,177	303,346
At 28 June 2009	1,606,860	549,369	543,889	2,700,118
<b>Net Book Value</b>				
At 28 June 2009	1,671,840	32,383	158,968	1,863,191
At 29 June 2008	1,882,439	30,482	202,017	2,114,938

7. Stocks

	28 June 2009 £	29 June 2008 £
Wines, spirits, food and tobacco	55,052	44,659

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 28 JUNE 2009**

	28 June 2009 £	29 June 2008 £
<b>8. Debtors: amounts falling due within one year</b>		
Trade debtors	107,929	75,302
Amount owed by parent company	1,624,844	195,000
Amounts owed by fellow subsidiary undertakings	50,456	146,104
Amount owed by related company	999,803	897,935
Deferred taxation (see note 10)	61,293	78,187
Other debtors	-	6,187
Prepayments and accrued income	120,751	113,233
	<b>2,965,076</b>	<b>1,511,948</b>

	28 June 2009 £	29 June 2008 £
<b>9. Creditors: amounts falling due within one year</b>		
Trade creditors	147,071	120,893
Amount owed to parent company	207,144	81,115
Amounts owed to fellow subsidiary undertakings	784,447	440,303
Corporation tax	1,286	99,207
Other taxes and social security costs	229,214	249,566
Other creditors	101,618	47,310
Accruals	115,625	187,257
Deferred income	455,455	384,491
	<b>2,041,860</b>	<b>1,610,142</b>

**10. Deferred taxation**

	Short-term timing differences £	Accelerated capital allowances £	Losses carried forward £	Total £
Deferred tax asset at 30 June 2008	16,800	57,793	3,594	78,187
Profit and loss charge for the period (note 5)	(1,120)	(12,180)	(3,594)	(16,894)
<b>Deferred tax asset at 28 June 2009</b>	<b>15,680</b>	<b>45,613</b>	<b>-</b>	<b>61,293</b>

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 28 JUNE 2009**

	<b>28 June 2009 £</b>	<b>29 June 2008 £</b>
<b>11. Share capital</b>		
Authorised		
51,000 'A' Ordinary Shares of £1 each	<b>51,000</b>	51,000
26,500 'B' Ordinary Shares of £1 each	<b>26,500</b>	26,500
4,922,500 'C' Ordinary Shares of £1 each	<b>4,922,500</b>	4,922,500
	<b><u>5,000,000</u></b>	<b><u>5,000,000</u></b>
 Allotted, issued and fully paid		
51,000 'A' Ordinary Shares of £1 each	<b>51,000</b>	51,000
26,500 'B' Ordinary Shares of £1 each	<b>26,500</b>	26,500
3,422,383 'C' Ordinary Shares of £1 each	<b>3,422,383</b>	3,422,383
	<b><u>3,499,883</u></b>	<b><u>3,499,883</u></b>

All Ordinary Shares rank pari passu in all respects.

	<b>28 June 2009</b>	<b>29 June 2008</b>
<b>12. Share premium reserve</b>		
'A' Ordinary Shares	<b>333,905</b>	333,905
'B' Ordinary Shares	<b>173,500</b>	173,500
'C' Ordinary Shares	<b>377,499</b>	377,499
	<b><u>884,904</u></b>	<b><u>884,904</u></b>

<b>13. Statement of movement on reserves</b>	<b>Profit and loss account £</b>
At 30 June 2008	(2,087,359)
Retained profit for the period	565,866
<b>At 28 June 2009</b>	<b><u>(1,521,493)</u></b>

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 28 JUNE 2009**

	<b>28 June 2009 £</b>	<b>29 June 2008 £</b>
<b>14. Reconciliation of movement in shareholder's funds</b>		
Profit for the period	<b>565,866</b>	255,429
Shareholder's funds at 30 June 2008	<b>2,297,428</b>	2,041,999
Shareholder's funds at 28 June 2009	<b><u>2,863,294</u></b>	<b><u>2,297,428</u></b>

**15. Commitments under operating leases**

At 28 June 2009 the company had annual commitments under non-cancellable operating leases as follows:

	<b>28 June 2009 £</b>	<b>29 June 2008 £</b>
Land and buildings: Expiring after five years	<b><u>168,100</u></b>	<b><u>168,100</u></b>

**16. Parent undertaking and controlling party**

The company's immediate parent undertaking is Mark Birley Holdings Limited, a company incorporated in England and Wales, and its ultimate holding company is Makino Limited, a company incorporated in Jersey. Makino Limited is 100% owned by R Caring, the ultimate controlling party.

The smallest group in which the results of the company are consolidated is that headed by MBH Group (UK) Limited. A copy of these consolidated accounts may be obtained from the registered office.

**NOTES TO THE FINANCIAL STATEMENTS****FOR THE PERIOD ENDED 28 JUNE 2009****17. Related party transactions**

The company was a 99.5% subsidiary of Makino Limited, the ultimate holding company, for the entire period under review.

On 28 June 2009 amounts due to/from group undertakings included the following amounts in relation to loans and current accounts with fellow subsidiaries of Makino Limited:

	<b>28 June 2009</b>	<b>29 June 2008</b>
	<b>Current account</b>	<b>Current account</b>
	<b>debtor/(creditor)</b>	<b>debtor/(creditor)</b>
	<b>£</b>	<b>£</b>
Annabel's (Berkeley Square) Limited	(587,946)	(421,740)
The Bath and Racquets Club Limited	50,456	-
Harry's Bar Limited	(124,565)	(18,563)
Mark's Club (Charles Street) Limited	(1,341)	14,824
Mark Birley Associates Limited	(9,924)	131,280
Mark Birley Holdings Limited	1,624,844	195,000
MBH Group (UK) Limited	(207,144)	(81,115)
MBH Putco Limited	(60,670)	-
	<b>683,710</b>	<b>(180,314)</b>

The company paid Mark Birley Associates Limited £250,686 for management services during the period (2008: £240,175) and paid £333,863 (2008: £329,680) to Annabel's (Berkeley Square) Limited for the supply of beverages. The other balances above reflect intercompany loan transactions.

At 28 June 2009 the company was owed £999,803 (2008: £897,935) by Caprice Holdings Ltd, a related company under common control whose results are not included in the consolidated financial statements of MBH Group (UK) Ltd. This loan balance is interest-bearing and interest receivable for the period was £28,741 (2008: £12,093).