

**Report of the Director and  
Financial Statements for the Year Ended 30 November 2000  
for  
BUXTED PARK HOTEL LIMITED**

3784925



# **BUXTED PARK HOTEL LIMITED**

## **Contents of the Financial Statements for the Year Ended 30 November 2000**

	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Report of the Director</b>	<b>2</b>
<b>Report of the Auditors</b>	<b>3</b>
<b>Profit and Loss Account</b>	<b>4</b>
<b>Statement of Total Recognised Gains and Losses</b>	<b>5</b>
<b>Balance Sheet</b>	<b>6</b>
<b>Notes to the Financial Statements</b>	<b>7</b>

**BUXTED PARK HOTEL LIMITED**

**Company Information  
for the Year Ended 30 November 2000**

**DIRECTOR:** R C Felton

**SECRETARY:** Jordans Company Secretaries Limited

**REGISTERED OFFICE:** The Old Library  
The Drive  
Sevenoaks  
Kent  
TN13 3AB

**REGISTERED NUMBER:** 3784925

**AUDITORS:** Ernst & Young LLP  
Becket House  
1 Lambeth Palace Road  
London  
SE1 7EU

## **BUXTED PARK HOTEL LIMITED**

### **Report of the Director for the Year Ended 30 November 2000**

The director presents his report with the financial statements of the company for the year ended 30 November 2000.

#### **PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of the ownership and operation of the Buxted Park Hotel.

#### **REVIEW OF BUSINESS**

The results for the year and financial position of the company are as shown in the annexed financial statements.

#### **DIVIDENDS**

No dividends will be distributed for the year ended 30 November 2000.

#### **DIRECTORS**

The directors during the year under review were:

R.C. Felton

M.T. Fitzgerald, resigned 06.12.2001

The directors holding office at 30th November 2000 did not hold any beneficial interest in the issued share capital of the company, or any other member of the group, at 1st December 1999 or 30th November 2000.

#### **AUDITORS**

Ernst & Young LLP, a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000, was appointed as company auditor during the period ended 30th November 2000. A resolution to reappoint Ernst & Young LLP as the company's auditor will be put to the forthcoming Annual General Meeting.

#### **STATEMENT OF DIRECTOR'S RESPONSIBILITIES**

Company law requires the director 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 of the company for that period. In preparing those financial statements, the director is required to

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

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

**ON BEHALF OF THE BOARD:**

  
R C Felton - DIRECTOR

Dated: 18 December 2001

## **BUXTED PARK HOTEL LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BUXTED PARK HOTEL LIMITED**

We have audited the company's financial statements for the year ended 30 November 2000 which comprise Profit and Loss Account, Balance Sheet, Statement of Total Recognised Gains and Losses, and the related notes 1 to 16. These financial statements have been prepared on the basis of the accounting policies set out therein.

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

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 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 the information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom 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 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 misstatements, 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 as at 30 November 2000 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Ernst & Young LLP*

Ernst & Young LLP

Registered Auditor

London

18 December 2001

# BUXTED PARK HOTEL LIMITED

## Profit and Loss Account for the Year Ended 30 November 2000

		Year Ended 30.11.00	Restated Period 9.6.99 to 30.11.99
	Notes	£	£
<b>TURNOVER</b>		1,755,468	628,899
Cost of sales		<u>1,075,158</u>	<u>399,430</u>
<b>GROSS PROFIT</b>		680,310	229,469
Administrative expenses		<u>722,012</u>	<u>247,012</u>
<b>OPERATING LOSS</b>	3	(41,702)	(17,543)
Interest payable and similar charges	4	<u>434</u>	<u>-</u>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(42,136)	(17,543)
Tax on loss on ordinary activities	5	<u>-</u>	<u>2,071</u>
<b>LOSS FOR THE FINANCIAL YEAR AFTER TAXATION</b>		(42,136)	(19,614)
Deficit brought forward:			
As previously reported		21,402	-
Prior year adjustments	6	<u>(41,016)</u>	<u>-</u>
As restated		<u>(19,614)</u>	<u>-</u>
<b>DEFICIT CARRIED FORWARD</b>		<u>£(61,750)</u>	<u>£(19,614)</u>

### CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous period.

**BUXTED PARK HOTEL LIMITED**

**Statement of Total Recognised Gains and Losses  
for the Year Ended 30 November 2000**

	<u>Year Ended 30.11.00</u>	<u>Restated Period 9.6.99 to 30.11.99</u>
	£	£
<b>LOSS FOR THE FINANCIAL YEAR</b>	(42,136)	(19,614)
	<hr/>	<hr/>
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR</b>	(42,136)	<u>£(19,614)</u>
Prior year adjustment	Note 6	
	(41,016)	
<b>TOTAL GAINS AND LOSSES RECOGNISED SINCE LAST ANNUAL REPORT</b>	<u>£(83,152)</u>	

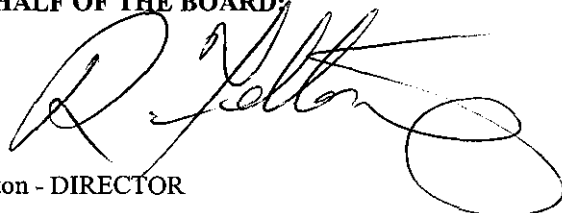
The notes form part of these financial statements

# BUXTED PARK HOTEL LIMITED

## Balance Sheet 30 November 2000

		30.11.00		Restated 30.11.99	
	Notes	£	£	£	£
<b>FIXED ASSETS:</b>					
Tangible assets	7		3,366,627		3,338,389
<b>CURRENT ASSETS:</b>					
Stocks	8	38,767		12,984	
Debtors	9	221,216		219,498	
Cash at bank and in hand		<u>14,166</u>		<u>111,922</u>	
		274,149		344,404	
<b>CREDITORS: Amounts falling due within one year</b>	10	<u>502,524</u>		<u>502,405</u>	
<b>NET CURRENT LIABILITIES:</b>			<u>(228,375)</u>		<u>(158,001)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>			<u>£3,138,252</u>		<u>£3,180,388</u>
<b>CAPITAL AND RESERVES:</b>					
Called up share capital	12		3,200,002		3,200,002
Profit and loss account			<u>(61,750)</u>		<u>(19,614)</u>
<b>SHAREHOLDERS' FUNDS:</b>	16		<u>£3,138,252</u>		<u>£3,180,388</u>

ON BEHALF OF THE BOARD:



R C Felton - DIRECTOR

Approved by the Board on 18 December 2001



## **BUXTED PARK HOTEL LIMITED**

### **Notes to the Financial Statements for the Year Ended 30 November 2000**

#### **1. ACCOUNTING POLICIES**

##### **Fundamental Accounting Concept**

The accounts have been prepared on a going concern basis on the basis of continuing financial support from the immediate parent undertaking, Hand Picked Hotels Limited.

##### **Accounting convention**

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

##### **Financial Reporting Standard Number 1**

Exemption has been taken from preparing a cash flow statement on the grounds that the company is a wholly owned subsidiary.

##### **Turnover**

Turnover represents net invoiced sales of goods, excluding value added tax, all of which is generated within the United Kingdom in respect of hotel operations.

##### **Tangible fixed assets**

The company has adopted FRS 15 "Tangible Fixed Assets". Adoption of this standard has resulted in the separation of assets into different components. These reclassifications are shown in the note to the accounts. The impact on the reported profits in both the current and the previous year is immaterial.

Depreciation is provided at the following annual rates in order to write off each asset, other than freehold land, over its useful life.

Freehold Property	- 2% on cost
Fixed Plant	- 4% on cost
Plant and machinery	- 25% on cost
Fixtures and fittings	- 10% on cost
Computer equipment	- 25% on cost

##### **Stocks**

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

##### **Deferred taxation**

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the director, there is reasonable probability that the liability will not arise in the foreseeable future.

##### **Pensions**

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

##### **Related party transactions**

The company has taken advantage of the exemptions in FRS 8 in connection with the disclosure of transactions with other group undertakings.

##### **Change in accounting policy - stocks**

In the previous period the company adopted a policy of holding the value of certain base stock items such as linen and crockery within the period end balance. The directors now consider that a policy of expensing the cost of these items as incurred would give a fairer presentation of the results and financial position of the company. Accordingly it has been necessary to restate the figures for 1999 on the basis of the new policy. This has involved the write off of the opening base stock value in the previous period.

The resulting adjustment to the pre tax profit for the period ended 30th November 1999 is a charge of £41,016.

# BUXTED PARK HOTEL LIMITED

## Notes to the Financial Statements for the Year Ended 30 November 2000

### 1. ACCOUNTING POLICIES - continued

#### Leasing

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

### 2. STAFF COSTS

	Year Ended 30.11.00 £	Period 9.6.99 to 30.11.99 £
Wages and salaries	663,532	189,801
Social security costs	44,972	12,895
Other pension costs	<u>3,292</u>	<u>671</u>
	<u>711,796</u>	<u>203,367</u>

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

	Year Ended 30.11.00	Period 9.6.99 to 30.11.99
Hotel Operations	<u>113</u>	<u>111</u>

### 3. OPERATING LOSS

The operating loss is stated after charging:

	Year Ended 30.11.00 £	Period 9.6.99 to 30.11.99 £
Other operating leases	6,376	-
Depreciation - owned assets	63,587	35,283
Auditors' remuneration	<u>5,516</u>	<u>1,631</u>
Directors' emoluments	<u>-</u>	<u>-</u>

### 4. INTEREST PAYABLE AND SIMILAR CHARGES

	Year Ended 30.11.00 £	Period 9.6.99 to 30.11.99 £
Bank interest	<u>434</u>	<u>-</u>

# BUXTED PARK HOTEL LIMITED

## Notes to the Financial Statements for the Year Ended 30 November 2000

### 5. TAXATION

The tax charge on the loss on ordinary activities for the year was as follows:

	Year Ended 30.11.00 £	Period 9.6.99 to 30.11.99 £
UK corporation tax, charged at 30% (1999 – 30%)	<u>-</u>	<u>2,071</u>

No liability to UK corporation tax arose on ordinary activities for the year ended 30 November 2000 due to the availability of losses within the group.

### 6. PRIOR YEAR ADJUSTMENTS

The prior year adjustment has arisen on the expensing of base stock.

### 7. TANGIBLE FIXED ASSETS

	Freehold property £	Fixed Plant £	Plant and machinery £
<b>COST:</b>			
At 1 December 1999	3,142,057	-	230,827
Additions	-	19,644	4,024
Reclassifications	<u>(249,234)</u>	<u>249,234</u>	<u>-</u>
At 30 November 2000	<u>2,892,823</u>	<u>268,878</u>	<u>234,851</u>
<b>DEPRECIATION:</b>			
At 1 December 1999	31,420	-	3,847
Charge for year	6,322	10,755	35,228
Reclassifications	<u>(13,852)</u>	<u>13,852</u>	<u>-</u>
At 30 November 2000	<u>23,890</u>	<u>24,607</u>	<u>39,075</u>
<b>NET BOOK VALUE:</b>			
At 30 November 2000	<u>2,868,933</u>	<u>244,271</u>	<u>195,776</u>
At 30 November 1999	<u>3,110,637</u>	<u>-</u>	<u>226,980</u>

# BUXTED PARK HOTEL LIMITED

## Notes to the Financial Statements for the Year Ended 30 November 2000

### 7. TANGIBLE FIXED ASSETS - continued

	Fixtures and fittings	Computer equipment	Totals
	£	£	£
<b>COST:</b>			
At 1 December 1999	-	788	3,373,672
Additions	<u>37,562</u>	<u>30,595</u>	<u>91,825</u>
At 30 November 2000	<u>37,562</u>	<u>31,383</u>	<u>3,465,497</u>
<b>DEPRECIATION:</b>			
At 1 December 1999	-	16	35,283
Charge for year	<u>3,434</u>	<u>7,848</u>	<u>63,587</u>
At 30 November 2000	<u>3,434</u>	<u>7,864</u>	<u>98,870</u>
<b>NET BOOK VALUE:</b>			
At 30 November 2000	<u>34,128</u>	<u>23,519</u>	<u>3,366,627</u>
At 30 November 1999	<u>-</u>	<u>772</u>	<u>3,338,389</u>

Included in freehold property is freehold land valued at £785,514 (1999 - £785,514) which is not depreciated.

### 8. STOCKS

	30.11.00	Restated 30.11.99
	£	£
Goods for resale	<u>38,767</u>	<u>12,984</u>

### 9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.11.00	30.11.99
	£	£
Trade debtors	197,450	190,490
Other debtors	1,206	3,733
Prepayments	<u>22,560</u>	<u>25,275</u>
	<u>221,216</u>	<u>219,498</u>

# BUXTED PARK HOTEL LIMITED

## Notes to the Financial Statements for the Year Ended 30 November 2000

### 10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.11.00	30.11.99
	£	£
Bank loans and overdrafts (see note 11)	-	19,406
Trade creditors	124,346	149,273
Other creditors	-	13,722
Amounts owed to parent undertaking	220,090	133,626
Owed to related company	-	173
Social security & other taxes	28,809	56,912
Payments in Advance	80,540	77,149
Taxation	-	2,071
Accruals	<u>48,739</u>	<u>50,073</u>
	<u>502,524</u>	<u>502,405</u>

Whilst the amounts due to parent undertaking are technically due within one year, the directors have been advised that the parent undertaking does not expect to seek repayment within the next twelve months.

### 11. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

	30.11.00	30.11.99
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>-</u>	<u>19,406</u>

### 12. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	30.11.00	30.11.99
			£	£
5,000,000	Ordinary	1	<u>5,000,000</u>	<u>5,000,000</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	30.11.00	30.11.99
			£	£
3,200,002	Ordinary	1	<u>3,200,002</u>	<u>3,200,002</u>

### 13. ULTIMATE PARENT COMPANY

The company's ultimate parent undertaking is Benfica Limited, which is registered in the Isle of Man. The company's intermediate parent is Hand Picked Hotels Limited which is registered in England and Wales. Hand Picked Hotels Limited is the largest and smallest group, in whose financial statements the results of the company will be consolidated. The consolidated accounts of Hand Picked Hotels Limited will be available to the public and will be obtainable in due course from the Registrar of Companies, Companies House, Crown Way, Cardiff.

### 14. CONTINGENT LIABILITIES

At 30th November 2000, the company, along with certain other fellow subsidiary undertakings, has granted a fixed and floating charge over its assets, to a maximum of £7,945,000, in respect of certain liabilities of Hand Picked Hotels Limited.

# **BUXTED PARK HOTEL LIMITED**

## **Notes to the Financial Statements for the Year Ended 30 November 2000**

### **15. OTHER FINANCIAL COMMITMENTS**

At 30th November 2000 the company had annual commitments under non-cancellable operating leases as set out below.

Operating leases which expire	2000	1999
Within one year	-	-
Within two to five years	3550	3550
In over five years	-	-

### **16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	30.11.00 £	30.11.99 £
Loss for the financial year	(42,136)	(19,614)
Ordinary Shares Issued	<u>-</u>	<u>3,200,002</u>
<b>Net (reduction)/addition to shareholders' funds</b>	<b>(42,136)</b>	<b>3,180,388</b>
Opening shareholders' funds (originally £3,221,404 before prior year adjustment of £(41,016))	<u>3,180,388</u>	<u>-</u>
<b>Closing shareholders' funds</b>	<b><u>3,138,252</u></b>	<b><u>3,180,388</u></b>
Equity interests	<u>3,138,252</u>	<u>3,180,388</u>