

Registered number
3819475

WY (ROOKERY HALL) LIMITED

Report and Accounts

27 November 2003



WY (ROOKERY HALL) LIMITED
Report and accounts
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WY (ROOKERY HALL) LIMITED
Company Information

Directors

R C Felton
J Hands

Secretary

Jordans Company Secretaries Limited

Auditors

PKF
Farringdon Place
20 Farringdon Road
London
EC1M 3AP

Registered office

The Old Library
The Drive
Sevenoaks
Kent
TN13 3AB

Registered number

3819475

WY (ROOKERY HALL) LIMITED

Directors' Report

The directors present their report and accounts for the 52 weeks ended 27 November 2003.

Principal activities

The company's principal activity during the period continued to be that of the ownership and operation of the Rookery Hall Hotel.

Review of business

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

Dividends

No dividends will be distributed for the period ended 27 November 2003.

Directors

The directors who served during the period under review were:

R.C. Felton

J. Hands

The directors holding office at 27 November 2003 did not hold any beneficial interest in the issued share capital of the company or any other company within the group at 28 November 2002 or 27 November 2003, except J Hands, who holds two shares.

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 period. In preparing those accounts, the directors are required to:

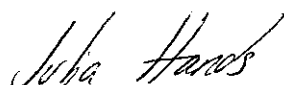
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for ensuring that the directors' report and other information included in the financial statements is prepared in accordance with company law in the United Kingdom.

The directors are responsible for maintaining 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 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

A resolution to reappoint PKF as auditors will be put to the forthcoming Annual General Meeting.



J Hands
Director

WY (ROOKERY HALL) LIMITED

Independent auditors' report to the members of WY (ROOKERY HALL) LIMITED

We have audited the accounts of Wy (Rookery Hall) Limited for the period ended 27 November 2003 which comprise the Profit and Loss account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards 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 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 information specified by law regarding directors' remuneration and transactions with the company 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. 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 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 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 the company's affairs as at 27 November 2003 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

PKF

PKF
Registered auditors

London

~~April 2004~~

12 May 2004

WY (ROOKERY HALL) LIMITED**Profit and Loss Account****for the period from 29 November 2002 to 27 November 2003**

	Notes	52 weeks ended 27 November 2003 £	52 weeks ended 28 November 2002 £
Turnover		1,943,579	1,796,517
Cost of sales		(511,912)	(465,700)
Gross profit		1,431,667	1,330,817
Administrative expenses		(1,377,387)	(1,377,626)
Operating profit/(loss)	2	54,280	(46,809)
Profit/(loss) on ordinary activities before taxation		54,280	(46,809)
Tax on profit/(loss) on ordinary activities	4	(21,000)	8,000
Retained profit/(loss) for the period	10	33,280	(38,809)

Continuing operations

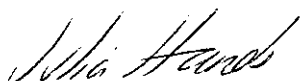
None of the company's activities were acquired or discontinued during the above two periods.

Statement of total recognised gains and losses

The company has no recognised gains or losses other than the profit/(loss) for the above two periods.

WY (ROOKERY HALL) LIMITED**Balance Sheet****as at 27 November 2003**

	Notes	27 November 2003 £	28 November 2002 £
Fixed assets			
Tangible assets	5	4,912,145	4,337,581
Current assets			
Stocks	6	20,592	17,466
Debtors	7	118,483	172,872
Cash at bank and in hand		13,941	63,331
		153,016	253,669
Creditors: amounts falling due within one year	8	(775,179)	(355,548)
Net current liabilities		(622,163)	(101,879)
Total assets less current liabilities		4,289,982	4,235,702
Provisions for liabilities and charges			
Deferred taxation	4	(136,000)	(115,000)
		4,153,982	4,120,702
Capital and reserves			
Called up share capital	9	4,149,163	4,149,163
Profit and loss account	10	4,819	(28,461)
Shareholders' funds	11	4,153,982	4,120,702



J Hands

Director

Approved by the board on 28 April 2004

WY (ROOKERY HALL) LIMITED

Notes to the Accounts

for the period from 29 November 2002 to 27 November 2003

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

Turnover

Turnover represents net invoiced sales of goods and services, excluding value added tax, all of which is generated through the operation of the hotel.

Depreciation

Depreciation is provided on all tangible fixed assets, other than freehold land and assets in the course of construction, at rates calculated to write off the cost less estimated residual value, of each asset evenly over its expected useful life, as follows:

Freehold buildings core	50 years
Freehold buildings surface finishes and services	20 years
Plant and machinery	4 to 25 years

Stocks

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

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 undertaking.

Deferred taxation

Deferred tax is provided on material timing differences between the incidence of income and expenditure for taxation and accounts purposes using the full provision basis set out in Financial Reporting Standard 19.

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.

Leasing

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

WY (ROOKERY HALL) LIMITED**Notes to the Accounts****for the period from 29 November 2002 to 27 November 2003**

2 Operating profit	2003	2002
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	124,339	92,741
Loss on disposal of tangible asset	5,562	-
Other operating leases	1,008	-
Auditors' remuneration - audit fees	<u>2,600</u>	<u>2,600</u>

3 Staff costs	2003	2002
	£	£
Wages and salaries	633,847	581,146
Social security costs	43,900	36,204
Other pension costs	<u>2,739</u>	<u>3,606</u>
	<u>680,486</u>	<u>620,956</u>

None of the directors received any remuneration for the period (2002: £nil).

Average number of employees during the year	Number	Number
Hotel operations	35	35
Administration	<u>6</u>	<u>6</u>
	<u>41</u>	<u>41</u>

4 Taxation	2003	2002
Current year charge	£	£
Corporation tax	-	-
Total current tax	<u>-</u>	<u>-</u>
Deferred taxation	21,000	(8,000)
Total tax	<u>21,000</u>	<u>(8,000)</u>

WY (ROOKERY HALL) LIMITED**Notes to the Accounts****for the period from 29 November 2002 to 27 November 2003****4 Taxation (continued)**

	2003 £	2002 £
Factors affecting tax charge for the period		
Profit/(loss) on ordinary activities before tax	<u>54,280</u>	<u>(46,809)</u>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax (30%)	16,284	(14,043)
<i>Explained by:</i>		
Expenses not deductible for tax purposes	-	372
Capital allowances for period in excess of depreciation	(27,587)	(24,938)
Losses carried forward for future offset	<u>11,303</u>	<u>38,609</u>
Total current tax	<u>-</u>	<u>-</u>
Deferred tax	£	
At 29 November 2002	(115,000)	
Charged to profit and loss	<u>(21,000)</u>	
At 27 November 2003	<u>(136,000)</u>	
Deferred tax is analysed as follows:		
Short term timing differences	22,500	
Accelerated capital allowances	<u>(158,500)</u>	
	<u>(136,000)</u>	

The company has not provided for capital gains tax which would arise on the sale of land and buildings for their carrying values. At the period end this liability is estimated at £41,000 (2002 £109,000). There are trading losses carried forward of £75,000 (2002 £37,000) available for offset against future trading profits.

WY (ROOKERY HALL) LIMITED**Notes to the Accounts****for the period from 29 November 2002 to 27 November 2003****5 Tangible fixed assets**

	Freehold land and buildings £	Plant and machinery £	Total £
Cost			
At 29 November 2002	3,789,481	997,261	4,786,742
Additions	-	708,265	708,265
Disposals	-	(30,460)	(30,460)
At 27 November 2003	<u>3,789,481</u>	<u>1,675,066</u>	<u>5,464,547</u>
Depreciation			
At 29 November 2002	123,616	325,545	449,161
Charge for the 52 weeks	17,429	106,910	124,339
On disposals	-	(21,098)	(21,098)
At 27 November 2003	<u>141,045</u>	<u>411,357</u>	<u>552,402</u>
Net book value			
At 27 November 2003	<u>3,648,436</u>	<u>1,263,709</u>	<u>4,912,145</u>
At 28 November 2002	<u>3,665,865</u>	<u>671,716</u>	<u>4,337,581</u>

Included in freehold land and buildings is freehold land of £1,023,000 (2002: £1,023,000) which is not depreciated.

6 Stocks

	2003 £	2002 £
Goods for resale	<u>20,592</u>	<u>17,466</u>

7 Debtors

	2003 £	2002 £
Trade debtors	70,007	154,893
Amounts due from fellow subsidiary undertakings	2,762	1,554
Other debtors	29,724	6,874
Prepayments and accrued income	15,990	9,551
	<u>118,483</u>	<u>172,872</u>

WY (ROOKERY HALL) LIMITED**Notes to the Accounts****for the period from 29 November 2002 to 27 November 2003****8 Creditors: amounts falling due within one year**

	2003	2002
	£	£
Payments in advance	104,933	72,718
Trade creditors	397,136	68,228
Amounts due to immediate parent undertaking	235,123	104,418
Amounts due to fellow subsidiary undertakings	2,480	1,533
Other taxes and social security costs	12,688	72,240
Other creditors	2,126	1,324
Accruals and deferred income	20,693	35,087
	<u>775,179</u>	<u>355,548</u>

9 Share capital

	2003	2002	2003	2002
	No	No	£	£
Authorised:				
Ordinary shares of £1 each	20,000,000	20,000,000	20,000,000	20,000,000
Allotted, issued and fully paid:				
Ordinary shares of £1 each	4,149,163	4,149,163	<u>4,149,163</u>	<u>4,149,163</u>

10 Profit and loss account

	2003	2002
	£	£
At 29 November 2002	(28,461)	10,348
Retained profit/(loss)	33,280	(38,809)
At 27 November 2003	<u>4,819</u>	<u>(28,461)</u>

11 Reconciliation of movement in shareholders' funds

	2003	2002
	£	£
At 29 November 2002	4,120,702	4,159,511
Profit/(loss) for the financial 52 weeks	33,280	(38,809)
At 27 November 2003	<u>4,153,982</u>	<u>4,120,702</u>

WY (ROOKERY HALL) LIMITED

Notes to the Accounts

for the period from 29 November 2002 to 27 November 2003

12 Capital commitments

The amounts contracted for but not provided for in the accounts amount to £114,128 (2002 £Nil). This amount relates to the refurbishment of the hotel property.

13 Contingent liability

The company has granted a fixed and floating charge over the company and all property and assets, present and future, as part of the group's banking arrangements. The amount owed by the Hand Picked Hotels group, as at 27 November 2003 was £61,250,000 (2001: £49,875,000).

14 Ultimate Parent Company

The company's ultimate parent undertaking is Benfica Limited, which is registered in the Isle of Man. The company's immediate parent is Hand Picked Hotels Limited a company registered in England and Wales. The largest and smallest group, in whose financial statements the results of the company will be consolidated is Hand Picked Hotels Limited. 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.

The controlling party is Mr G Hands.