

THE PLACE SANDWICH VCT LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2007

WEDNESDAY



ARPPXRS

A48

05/03/2008

241

COMPANIES HOUSE

THE PLACE SANDWICH VCT LIMITED

COMPANY INFORMATION

Directors	J M Thornton M L Wolfman H J A Stanford M Collins
Secretary	M Stear
Company Number	05301620
Registered Office	10 Crown Place London EC2A 4FT
Auditors	HLB Vantis Audit Plc 82 St John Street London EC1M 4JN
Business Address	The Bell Hotel The Quay Sandwich Kent CT13 9EF

THE PLACE SANDWICH VCT LIMITED

CONTENTS

Page

1 - 2	Directors' Report
3	Independent Auditors' Report
4	Profit & Loss Account
5	Balance Sheet
6 - 9	Notes to the Financial Statements

THE PLACE SANDWICH VCT LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2007

The Directors present their report and financial statements for the year ended 30th June 2007

Principal activities

The principal activity of the Company is the operation of The Bell Hotel Sandwich

Review of the year

The hotel's performance has improved dramatically during the year and the continued refurbishment programme has assisted the improvement in all areas of revenue

Directors

The following directors have held office since 1 July 2006

J M Thornton
M L Wolfman
H J A Stanford
M Collins

Auditors

The company has by elective resolution dispensed with the obligation to appoint auditors annually in accordance with section 386(i) of the Companies Act 1985. Therefore, the auditors, HLB Vantis Audit Plc, will be deemed to be reappointed for each succeeding financial year

THE PLACE SANDWICH VCT LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2007

Directors' responsibilities

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

Company law requires the directors 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 directors are required to

- select suitable accounting policies and 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 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 financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Statement of disclosure to auditor

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware and

(b) they have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

By order of the board



M Stear
Secretary

27/02/08

THE PLACE SANDWICH VCT LIMITED

REPORT OF THE INDEPENDENT AUDITORS

TO THE SHAREHOLDERS OF THE PLACE SANDWICH VCT LIMITED

We have audited the financial statements of The Place Sandwich VCT Limited for the year ended 30 June 2007 set out on pages 4 to 9. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2005).

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 the 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).

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 not 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 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 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 applicable to Smaller Entities, of the state of the company's affairs as at 30 June 2007 and of its loss for the year then ended; and
- 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.

HLB Vantis Audit Plc
HLB Vantis Audit Plc

3 March 2008

Chartered Accountants
Registered Auditor

82 St John Street
London
EC1M 4JN

THE PLACE SANDWICH VCT LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 June 2007

	Note	Year ended 30th June 2007 £	Year ended 30th June 2006 £
TURNOVER		1,169,115	875,191
Cost of Sales		(824,890)	(800,602)
GROSS PROFIT		344,225	74,589
Administrative Expenses		(342,060)	(227,038)
OPERATING PROFIT/(LOSS)	2	2,165	(152,449)
Interest Receivable	3	11,658	8,894
Interest Payable	4	(255,008)	(204,057)
LOSS ON ORDINARY ACTIVITIES before Taxation		(241,185)	(347,612)
TAX ON LOSS ON ORDINARY ACTIVITIES	5	-	-
LOSS ON ORDINARY ACTIVITIES for the year	12	(241,185)	(347,612)

The profit and loss account relates entirely to continuing operations

The Company does not have any gains or losses other than those shown above and therefore no separate Statement of Total Recognised Gains and Losses has been presented

THE PLACE SANDWICH VCT LIMITED

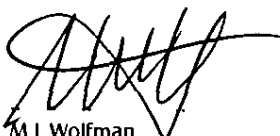
BALANCE SHEET AS AT 30 June 2007


	Notes	30th June 2007		30th June 2006	
		£	£	£	£
FIXED ASSETS					
Intangible	6		222,250		234,950
Tangible	7		<u>2,108,505</u>		<u>1,831,129</u>
			2,330,755		2,066,079
CURRENT ASSETS					
Stocks		8,863		6,287	
Debtors	8	91,439		96,369	
Cash at bank and in hand		11,413		476,352	
		<u>111,715</u>		<u>579,008</u>	
CREDITORS Amounts falling due within one year	9	<u>(368,314)</u>		<u>(329,746)</u>	
NET CURRENT (LIABILITIES) / ASSETS			<u>(256,599)</u>		<u>249,262</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			2,074,156		2,315,341
CREDITORS Amounts falling due after more than one year	10		(1,750,000)		(1,750,000)
			<u>324,156</u>		<u>565,341</u>
CAPITAL AND RESERVES					
Called up Share Capital	11		603,000		603,000
Share premium account	12		433,500		433,500
Profit and Loss Account	12		(712,344)		(471,159)
SHAREHOLDERS' FUNDS			<u>324,156</u>		<u>565,341</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005)

The financial statements were approved by the Board on

27/2/08


M L Wolfman
Director


H J A Stanford
Director

THE PLACE SANDWICH VCT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2007

1 ACCOUNTING POLICIES

1.1 Accounting Convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

The financial statements have been prepared on the Going Concern basis and the directors confirm their belief in the company's ability to continue as a going concern for the period of at least twelve months from the date of approval of these financial statements. The accounts have been prepared on the basis that the current banking facilities will continue for the foreseeable future.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts. The company engages in only one class of business that of hotelier, and all turnover is derived in the United Kingdom.

Turnover is recognised when rooms are occupied and when goods and services are provided to the guests.

1.3 Goodwill

Purchased goodwill is stated at cost less amortisation. It is being written off in equal annual instalments over its estimated useful economic life of 20 years.

1.4 Tangible Fixed Assets

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows -

Freehold land and buildings	Land - No depreciation, Buildings - Straight line over 50 years
Refurbishment costs	straight line over 10 years
Hotel fixtures, fittings & equipment	straight line over 4-5 years
Computer equipment	straight line over 2 years

1.5 Stocks

Stocks which comprise food, liquor and consumables are valued at the lower of cost or net realisable value.

1.6 Refurbishment costs

All refurbishment expenditure is written off to the profit and loss account in the period in which it is incurred with the exception of improvements to the hotel which are capitalised as fixed asset additions.

2 Operating profit/(loss)

	2007 £	2006 £
Operating Profit/(Loss) is stated after charging		
Amortisation of intangible assets	12,700	12,700
Depreciation of tangible assets	182,060	135,657
Auditors' remuneration	6,350	5,350
Directors' emoluments	58,328	46,613

3 Investment Income

	2007 £	2006 £
Bank interest	11,658	8,894

4 Interest Payable

Loan stock interest and finance charges	245,003	191,005
Arrangement and other fees	10,005	13,052
	255,008	204,057

THE PLACE SANDWICH VCT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 30 JUNE 2007

5 Taxation

The Company has estimated losses of approximately £727,000 (2006 £760,000) available for carry forward against future trading profits

Deferred tax has not been provided in the financial statements on the tax losses as the directors consider that it would not be prudent to do so until the company establishes profitability. The potential unprovided deferred tax asset amounts to approximately £272,000 (2006 £228,000)

6 Intangible fixed assets

	Goodwill
	£
Cost	
At 1 July 2006	254,000
At 30 June 2007	<u>254,000</u>
Amortisation	
At 1 July 2006	19,050
Charge for the period	<u>12,700</u>
At 30 June 2007	<u>31,750</u>
Net Book Value	
At 30 June 2007	<u>222,250</u>
At 30 June 2006	<u>234,950</u>

7 Tangible fixed assets

	Freehold land and buildings	Hotel fixtures fittings & equipment	Total
	£	£	£
Cost			
At 1 July 2006	1,653,528	348,900	2,002,428
Additions	<u>441,322</u>	<u>18,114</u>	<u>459,436</u>
At 30 June 2007	<u>2,094,850</u>	<u>367,014</u>	<u>2,461,864</u>
Depreciation			
At 1 July 2006	48,744	122,555	171,299
Charge for the period	<u>78,575</u>	<u>103,485</u>	<u>182,060</u>
At 30 June 2007	<u>127,319</u>	<u>226,040</u>	<u>353,359</u>
Net Book Value			
At 30 June 2007	<u>1,967,531</u>	<u>140,974</u>	<u>2,108,505</u>
At 30 June 2006	<u>1,604,784</u>	<u>226,345</u>	<u>1,831,129</u>

The cost of freehold land and buildings includes £562,500 attributable to land, which is not depreciated

The freehold property relating to The Bell Hotel is charged as security for the loan stock (see note 10)

8 Debtors

	2007	2006
	£	£
Trade debtors	44,012	42,469
Other debtors	<u>47,427</u>	<u>53,900</u>
	<u>91,439</u>	<u>96,369</u>

THE PLACE SANDWICH VCT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 30 JUNE 2007

9 Creditors amounts falling due within one year

	2007	2006
	£	£
Trade creditors	98,835	110,979
Taxation and social security	35,459	36,115
Other creditors	234,020	182,652
	<u>368,314</u>	<u>329,746</u>

10 Creditors amounts falling due after more than one year

	2007	2006
	£	£
Loan stock	<u>1,750,000</u>	<u>1,750,000</u>
Analysis of loans		
Wholly repayable within 5 years	<u>1,750,000</u>	<u>1,750,000</u>

The loan stock of £1,750,000 is secured by fixed and floating charges over the assets and undertaking of the company

11 Share capital

	2007	2006
	£	£
Authorised		
75,000,000 Ordinary shares of 1p each	<u>750,000</u>	<u>750,000</u>
Allotted, called up and fully paid		
60,300,000 Ordinary shares of 1p each	<u>603,000</u>	<u>603,000</u>

12 Statement of movements on reserves

	2007		2006	
	Share premium account	Profit & loss account	Share premium account	Profit & loss account
	£	£	£	£
Balance as at 1 July 2006	433,500	(471,159)	288,000	(123,547)
Retained loss for the period		(241,185)	-	(347,612)
Premium on shares issued during the period	-	-	148,500	-
Share premium-other movements	-	-	(3,000)	-
Balance as at 30 June 2007	<u>433,500</u>	<u>(712,344)</u>	<u>433,500</u>	<u>(471,159)</u>

13 Capital commitments

The Company had no capital commitments as at 30 June 2007 (2006: £Nil)

14 Control

The company is jointly owned by WAW Leisure Limited who hold 50% of the share capital and Close Brothers Venture Capital Trust plc, Close Brothers Protected VCT plc and Healthcare and Leisure Property Fund plc (together "the investors") who between them hold 50% of the share capital. Neither WAW Leisure Limited nor the investors exercise control. M Wolfman is a director of WAW Leisure Limited and H J A Stanford acts a director of the Company appointed by the investors.

THE PLACE SANDWICH VCT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 30 JUNE 2007

15 Related party transactions

During the year period the company entered into transactions with WAW Leisure Limited in respect of the refurbishment and running of the hotel amounting to £52,588 (2006 £55,797) The company was also charged management fees by WAW Leisure Limited of £60,000 (2006 £5,000) At 30 June 2007 the amount due to WAW Leisure Limited, and included in other creditors, was £2,785 (2006 £45,504)

During the year the company paid K Wolfman brand development and project design fees of £16 750 (2006 £20,852) At 30th June 2007 the amount due to K Wolfman was £120 (2006 £9 974) K Wolfman is the wife of M L Wolfman, a director of the company

THE PLACE SANDWICH VCT LIMITED

The following pages do not form part of the statutory financial statements

THE PLACE SANDWICH VCT LIMITED

TRADING PROFIT & LOSS ACCOUNT (DETAILED)

For the year ended 30 June 2007

	Year Ended 30th June 2007		Year Ended 30th June 2006	
	£	£	£	£
Turnover				
Food		366,949		270,441
Beverages		200,991		143,343
Weddings		-		1,078
Telephone		2,899		1,838
Rooms		577,195		437,436
Conference Room Hire		14,977		9,128
Newspapers		-		358
Sundries		6,104		3,996
Green Fees		-		7,573
		<u>1,169,115</u>		<u>875,191</u>
Cost of Sales				
Purchases	184,898		164,966	
Direct Costs	57,718		60,097	
Wages and Salaries	424,519		429,655	
Employer's NI Contributions	30,546		26,905	
Staff Welfare	11,560		3,479	
Light & Heat	30,287		28,523	
Metered Water	5,491		7,165	
Cleaning	11,334		5,266	
Telephone	4,927		5,581	
Staff Uniforms	1,185		2,234	
Wedding and Entertainment Licenses	1,893		3,260	
Rates	27,016		25,024	
Repairs and Maintenance	9,781		21,041	
Insurance	22,147		19,704	
Sundry Expenses	<u>10,451</u>		<u>3,989</u>	
	833,753		806,889	
Closing Stock	<u>(8,863)</u>		<u>(6,287)</u>	
Cost of Sales		<u>824,890</u>		<u>800,602</u>
Gross Profit		<u>344,225</u>		<u>74,589</u>
Administrative Expenses		<u>(342,060)</u>		<u>(227,038)</u>
Operating Profit/(Loss)		<u>2,165</u>		<u>(152,449)</u>
 Other Interest receivable and similar Income				
Bank interest received		11,658		8,894
 Interest Payable and similar charges				
Interest and finance charges	245,003		191,005	
Monitoring fee	3,548		7,452	
Arrangement fee	<u>6,457</u>		<u>5,600</u>	
		<u>(255,008)</u>		<u>(204,057)</u>
		<u>(241,185)</u>		<u>(347,612)</u>

THE PLACE SANDWICH VCT LIMITED

SCHEDULE OF ADMINISTRATIVE EXPENSES

	Year ended 30th June 2007 £	Year ended 30th June 2006 £
Administrative Expenses		
Directors' fees	6,422	9,456
Printing, postage and stationery	7,645	13,820
Computer running costs	11,309	-
Hire of equipment	2,304	-
Travelling expenses	1,869	1,524
Legal and professional fees	5,603	3,840
Advertising	11,693	8,092
Accountancy	13,200	12,760
Audit fees	6,442	5,350
Bank charges	1,928	1,932
Bad Debts	-	1,310
Credit card charges	18,886	15,595
Management Fee	60,000	5,000
Depreciation on intangible assets	12,700	12,700
Depreciation on freehold property	78,575	41,500
Depreciation on computer equipment	26,468	19,619
Depreciation on hotel fixtures, fittings & equipment	77,016	74,540
	<u>342,060</u>	<u>227,038</u>