

Registered number
05359860

The Bear Hungerford Limited

Report and Accounts

31 March 2007

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The Bear Hungerford Limited
Report and accounts
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The Bear Hungerford Limited
Company Information

Directors

J M Thornton
H J A Stanford
R J Burgess

Secretary

Close Ventures Limited

Auditors

Coulthards Mackenzie
39-45 Bermondsey Street
London
SE1 3XF

Bankers

Royal Bank of Scotland plc
PO Box 412
62/63 Threadneedle Street
London
EC2R 8LA

Registered office

10 Crown Place
London
EC2A 4FT

Registered number

05359860

The Bear Hungerford Limited
Directors' Report

The directors present their report and accounts for the year ended 31 March 2007

Principal activities and review of the business

The company's principal activity during the period was operating the Bear Hotel in Hungerford

Results and dividends

The trading results for the year, and the company's financial position at the end of the period are shown in the attached financial statements

The directors do not recommend the payment of a dividend

Directors

The directors who served during the year were as follows

J M Thornton

H J A Stanford

R J Burgess (Appointed 8 September 2006)

Directors' responsibilities

The directors are responsible for preparing the report and accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Company law requires the directors to prepare accounts for each financial period 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,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts
- 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 keeping 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

Disclosure of information to auditors

So far as each director at the date of approval of this report is aware

- there is no relevant audit information of which the company's auditors are unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

This report was approved by the board on 29 / 1 / 2008



Director

The Bear Hungerford Limited

Independent auditor's report to the shareholders of The Bear Hungerford Limited

We have audited the accounts of The Bear Hungerford Limited for the year ended 31 March 2007 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These accounts 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 auditors' 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 described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the accounts 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 accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985 and whether the information given in the Directors' Report is consistent with the accounts. We also 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

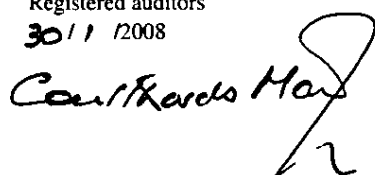
Opinion

In our opinion:

- the accounts 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 2007 and of its loss for the year then ended,
- the accounts have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the accounts.

Coulthards Mackenzie
Registered auditors

30/1/2008



39-45 Bermondsey Street
London
SE1 3XF

The Bear Hungerford Limited
Profit and Loss Account
for the year ended 31 March 2007

	Notes	2007 £	18 March 2005 to 31 March 2006 £
Turnover	2	1,349,676	691,382
Cost of sales		(334,657)	(188,250)
Gross profit		<u>1,015,019</u>	<u>503,132</u>
Administrative expenses		(965,531)	(858,802)
Operating profit/(loss)	3	<u>49,488</u>	<u>(355,670)</u>
Interest receivable		6,450	14,078
Interest payable	6	(567,275)	(449,740)
Loss on ordinary activities before taxation		<u>(511,337)</u>	<u>(791,332)</u>
Tax on loss on ordinary activities	7	-	-
Loss for the financial year		<u>(511,337)</u>	<u>(791,332)</u>

Continuing operations

None of the company's activities were acquired or discontinued during the above two financial years

Statement of total recognised gains and losses

The company has no recognised gains or losses other than the loss for the above two financial years

The notes on pages 6 to 11 form part of these financial statements

The Bear Hungerford Limited
Balance Sheet
as at 31 March 2007

	Notes	2007 £	2006 £
Fixed assets			
Tangible assets	9	3,638,792	3 486,849
Current assets			
Stocks	10	16,476	15,488
Debtors	11	80,411	119,322
Cash at bank and in hand		47,013	64,749
		<u>143,900</u>	<u>199 559</u>
Creditors amounts falling due within one year	12	(698,518)	(443,904)
Net current liabilities		<u>(554,618)</u>	<u>(244,345)</u>
Total assets less current liabilities		<u>3,084,174</u>	<u>3,242,504</u>
Creditors amounts falling due after more than one year	13	(3,311,843)	(2,958,836)
Net (liabilities)/assets		<u>(227 669)</u>	<u>283,668</u>
Capital and reserves			
Called up share capital	15	195,000	195,000
Share premium	16	880,000	880,000
Profit and loss account	17	(1,302,669)	(791,332)
Shareholders' funds	18	<u>(227,669)</u>	<u>283,668</u>



H J A Stanford
Director

Approved by the board on 29 / 1 / 2008

The notes on pages 6 to 11 form part of these financial statements

The Bear Hungerford Limited
Notes to the Accounts
for the year ended 31 March 2007

1 Accounting policies

Accounting convention

The accounts have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards

Going Concern

The accounts have been prepared on the going concern basis (notwithstanding net liabilities of £227 669) which the directors believe to be appropriate for the following reasons. The company is dependent for its working capital on funds provided to it by Close Brothers Venture Capital Trust plc, Close Brothers Protected VCT plc and Healthcare and Leisure Property Fund plc. These companies have provided the company with an undertaking that they will continue to support the company for the foreseeable future and that they will not seek repayment of the amounts currently owing to them during that period. This should enable the company to continue in operational existence in the foreseeable future by meeting its ongoing liabilities as they fall due for payment.

Cash Flow Statement

The accounts do not include a cash flow statement because as the company is a small reporting entity it is exempt from the requirement to prepare such a statement.

Depreciation

Depreciation is provided on all tangible fixed assets other than freehold land 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	over 50 years
Plant and machinery	over 5 years

Stocks

Stock is valued at the lower of cost and net realisable value.

Deferred taxation

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes.

Deferred tax is calculated at the tax rates which are expected to apply in the periods when the timing differences will reverse. No deferred tax is provided at 31 March 2007.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Leasing and hire purchase commitments

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and depreciated over their useful lives. The corresponding lease or hire purchase obligation is treated in the balance sheet as a liability.

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

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

The Bear Hungerford Limited
Notes to the Accounts
for the year ended 31 March 2007

2 Turnover

Turnover represents the invoiced value of goods and services supplied by the company during the year

Turnover is attributable to one continuing activity, namely that of hoteliers and arose solely within the United Kingdom

3 Operating profit	2007	2006
	£	£
This is stated after charging		
Depreciation of owned fixed assets	99 862	94 631
Depreciation of assets held under finance leases and hire purchase contracts	36 992	3,011
Amortisation of goodwill	-	1
Operating lease rentals - plant and machinery	6 235	4 033
Operating lease rentals - land buildings	4,301	2,547
Auditor's remuneration	4 800	5,000
	<hr/>	<hr/>
4 Directors' emoluments	2007	2006
	£	£
Emoluments	1,875	12,500
	<hr/>	<hr/>
5 Staff costs	2007	2006
	£	£
Wages and salaries	480,467	400,762
Social security costs	40 123	31,877
Other pension costs	2,817	940
	<hr/>	<hr/>
	523 407	433 579
	<hr/>	<hr/>
Average number of employees during the year	Number	Number
Operational staff	36	26
	<hr/>	<hr/>
6 Interest payable	2007	2006
	£	£
Bank loans and overdrafts	-	1,413
Loan Stock	429 100	325,267
Other finance charges	116 285	103 842
Finance charges payable under finance leases and hire purchase contracts	21,890	19,218
	<hr/>	<hr/>
	567,275	449,740
	<hr/>	<hr/>
7 Taxation	2007	2006
	£	£
The taxation charge is based on the profit for the year and represents Corporation Tax at 30%	-	-
	<hr/>	<hr/>
Loss on ordinary activities before tax	(511 337)	(791 332)
	<hr/>	<hr/>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the United Kingdom at 30%	(153,401)	(237,400)
Expenses not deductible for tax purposes	241	23
Excess of capital allowances over depreciation	(8,725)	(48 610)
Effect of tax loss carried forward for the year	161,885	285 987
	<hr/>	<hr/>
Tax on loss on ordinary activities	-	-
	<hr/>	<hr/>

The Bear Hungerford Limited
Notes to the Accounts
for the year ended 31 March 2007

7 Taxation

Subject to agreement with the Inland Revenue and any group relief claims the company has £1,491,516 of tax losses available for relief of future trading profits

Deferred tax has not been provided in the accounts due to the availability of tax losses. Potential unprovided deferred tax amounts of £447,454 (£285,987) are not recognised

8 Intangible fixed assets	£
Goodwill	
Cost	
At 1 April 2006	1
At 31 March 2007	1
Amortisation	
At 1 April 2006	1
At 31 March 2007	1
Net book value	
At 31 March 2007	-

9 Tangible fixed assets

	Freehold land and buildings £	Plant and machinery £	Total £
Cost			
At 1 April 2006	3,067,184	517,307	3,584,491
Additions	274,357	14,440	288,797
At 31 March 2007	3,341,541	531,747	3,873,288
Depreciation			
At 1 April 2006	31,356	66,286	97,642
Charge for the year	32,469	104,385	136,854
At 31 March 2007	63,825	170,671	234,496
Net book value			
At 31 March 2007	3,277,716	361,076	3,638,792
At 31 March 2006	3,035,828	451,021	3,486,849
		2007	2006
		£	£
Net book value of plant and machinery included above held under finance leases and hire purchase contracts		145,522	87,309
Depreciation on assets held under finance leases and hire purchase contracts		36,992	3,011

The Bear Hungerford Limited
Notes to the Accounts
for the year ended 31 March 2007

10 Stocks	2007	2006
	£	£
Goods for resale	16,476	15,488
11 Debtors	2007	2006
	£	£
Trade debtors	19,137	31,232
Other debtors	4,565	16,891
Prepayments and accrued income	56,709	71,199
	80,411	119,322
12 Creditors amounts falling due within one year	2007	2006
	£	£
Obligations under finance lease and hire purchase contracts	50,570	21,824
Trade creditors	115,506	169,811
Other taxes and social security costs	36,705	31,867
Other creditors	1,049	638
Accrued interest	440,655	169,478
Accruals and deferred income	54,033	50,286
	698,518	443,904
13 Creditors amounts falling due after one year	2007	2006
	£	£
Secured Loan Stock	3,251,427	2,903,812
Obligations under finance lease and hire purchase contracts	60,416	55,024
	3,311,843	2,958,836

£1 365 000 Secured Loan Stock 2005-10 was issued on 23 March 2005, to Close Brothers Venture Capital Trust plc (£700,000) and Close Brothers Protected VCT plc (£665,000), bears interest at 14% per annum and is repayable on the fifth anniversary of the issue of the stock plus a redemption premium of £341,250

£490,000 Secured Loan Stock 2005-10 was issued on 30 September 2005, to Close Brothers Venture Capital Trust plc, bears interest at 14% per annum and is repayable on the fifth anniversary of the issue of the stock plus a redemption premium of £122 500

£405 000 Secured Loan Stock 2005-10 was issued on 23 December 2005, to Close Brothers Venture Capital Trust plc (£260 000) and Close Brothers Protected VCT plc (£145,000), bears interest at 9.8% per annum and is repayable on 31 March 2010 plus a redemption premium of £70,875. On 14 September 2006 this loan stock was substituted by the issue of an equal amount of Secured A Loan Stock to the existing holders which bears interest at 9.8% per annum and is repayable on the fifth anniversary of the issue of the stock plus a redemption premium of £70 875

Secured Loan Stock 2005-10 was issued to Healthcare and Leisure Property Fund plc for a discounted issue price of £420 000 on 23 March 2005. It is repayable in monthly instalments of £4,900 with a final repayment of £424 900 on 31 March 2010 plus a redemption premium of £105 000

Secured Loan Stock 2005-10 was issued to Healthcare and Leisure Property Fund plc for a discounted issue price of £95 000 on 23 December 2005. It is repayable in monthly instalments of £776 with a final repayment of £95 776 on 31 March 2010 plus a redemption premium of £16 625

£200,000 Secured Loan Stock was issued on 14 September 2006 to Close Brothers Venture Capital Trust plc (£128 000) and Close Brothers Protected VCT plc (£72 000) bears interest at 9.8% per annum and is repayable on the fifth anniversary of the issue of the stock plus a redemption premium of £35,000

In accordance with FRS4 loan stock amounts are shown at their discounted issue price less amounts repaid together with a finance charge comprising the discount accruing at a constant rate over the period of issue to final repayment. All loan stocks are secured by a fixed and floating charge over the assets of the company

The Bear Hungerford Limited
Notes to the Accounts
for the year ended 31 March 2007

14 Obligations under finance leases and hire purchase contracts				2007	2006
				£	£
Amounts payable					
Within one year				50,570	21,824
Within two to five years				60,416	55,024
				<u>110,986</u>	<u>76,848</u>
15 Share capital				2007	2006
				£	£
Authorised					
Ordinary shares of 10p each				240,000	240,000
	2007	2006		2007	2006
	No	No		£	£
Allotted called up and fully paid					
Ordinary shares of 10p each				1,950,000	1,950,000
				<u>195,000</u>	<u>195,000</u>
16 Share premium				2007	2006
				£	£
At 1 April				880,000	-
Shares issued				-	880,000
				<u>880,000</u>	<u>880,000</u>
17 Profit and loss account				2007	2006
				£	£
At 1 April				(791,332)	-
Loss for the financial year				(511,337)	(791,332)
				<u>(1,302,669)</u>	<u>(791,332)</u>
18 Reconciliation of movement in shareholders' funds				2007	2006
				£	£
At 1 April				283,668	-
Loss for the financial year				(511,337)	(791,332)
Shares issued				-	1,075,000
				<u>(227,669)</u>	<u>283,668</u>

The Bear Hungerford Limited
Notes to the Accounts
for the year ended 31 March 2007

19 Transactions with related parties

During the period interest and redemption premia were paid/accrued to Close Brothers Venture Capital Trust plc of £271,006 (2006 £191,896) on loans totalling £1,578,000 (2006 £1,450,000), a company which holds a 26% interest in the ordinary share capital of the company. The balance of accrued interest outstanding together with accrued redemption premium at 31 March 2007 was £354,724 (2006 £142,894).

During the period interest and redemption premia were paid/accrued to Close Brothers Protected VCT plc of £158,094 (2006 £133,372) on loans totalling £882,000 (2006 £810,000), a company which holds a 14% interest in the ordinary share capital of the company. The balance of accrued interest outstanding together with accrued redemption premium at 31 March 2007 was £205,186 (2006 £86,822).

During the period interest and redemption premia were paid/accrued to Healthcare and Leisure Property Fund plc of £102,597 (2006 £103,842) on loans with a discounted issue price totalling £515,000, a company which holds a 9% interest in the ordinary share capital of the company. The balance of accrued interest outstanding together with accrued redemption premium at 31 March 2007 was £127,393 (2006 £54,358).

During the period fees were paid to the Considered Property Company Limited totalling £Nil (2006 £60,430) in respect of project management services. This company is a 75% subsidiary company of The Considered Group Limited which in turn holds 75% of The Considered Hotel Company Limited, a company which holds a 50% interest in the ordinary share capital of the company.