

Registered number
05359860

The Bear Hungerford Limited

Report and Accounts

31 March 2011

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The Bear Hungerford Limited
Report and accounts
Contents

	Page
Company information	1
Directors' report	2
Independent auditors' report	3
Profit and loss account	4
Balance sheet	5
Notes to the accounts	6 - 9

The Bear Hungerford Limited
Company Information

Directors

J M Thornton
H J A Stanford
R J Burgess

Secretary

Ka Wai Yu

Auditors

Coulthards Mackenzie
9 Risborough Street
London
SE1 0HF

Bankers

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

Registered office

1 King's Arms Yard
London
EC2R 7AF

Registered number

05359860

The Bear Hungerford Limited
Registered number: 05359860
Directors' Report

The directors present their report and accounts for the year ended 31 March 2011

Principal activities

The company's principal activity during the year continued to be operating the Bear Hotel in Hungerford

Directors

The following persons served as directors during the year

J M Thornton
H J A Stanford
R J Burgess

Directors' responsibilities

The directors are responsible for preparing the report and accounts in accordance with applicable law and regulations

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts 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 accounts 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 these accounts, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- 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 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 accounts 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.

Disclosure of information to auditors

Each person who was a director at the time this report was approved confirms that

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware, and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information

Small company provisions

This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

This report was approved by the board on 19 / 12 / 2011 and signed on its behalf



H J A Stanford
Director

The Bear Hungerford Limited
Independent auditors' 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 2011 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard For Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with chapter 3 of part 16 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 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 explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit the accounts 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 opinion

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the accounts. In addition we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited accounts. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the accounts

In our opinion the accounts

- give a true and fair view of the state of the company's affairs as at 31 March 2011 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

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

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 accounts 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, or
- the directors were not entitled to prepare the accounts and the directors' report in accordance with the small companies regime.



Christopher Pexton (Senior Statutory Auditor)

for and on behalf of Coulthards Mackenzie

Chartered Accountants

Statutory Auditors

21/12/2011

9 Risborough Street

London

SE1 0HF

The Bear Hungerford Limited
Profit and Loss Account
for the year ended 31 March 2011

	Notes	2011 £	2010 £
Turnover	2	1,363,572	1,319,463
Cost of sales		(300,977)	(312,071)
Gross profit		<u>1,062,595</u>	<u>1,007,392</u>
Administrative expenses		(908,528)	(926,110)
Operating profit	3	<u>154,067</u>	<u>81,282</u>
Interest receivable		191	119
Interest payable	4	(387,735)	(546,165)
Loss on ordinary activities before taxation		<u>(233,477)</u>	<u>(464,764)</u>
Tax on loss on ordinary activities		-	-
Loss for the financial year		<u>(233,477)</u>	<u>(464,764)</u>

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The Bear Hungerford Limited
Balance Sheet
as at 31 March 2011

	Notes	2011 £	2010 £
Fixed assets			
Tangible assets	6	3,334,456	3,405,941
Current assets			
Stocks		13,315	12,149
Debtors	7	54,917	41,047
Cash at bank and in hand		52,450	33,346
		<u>120,682</u>	<u>86,542</u>
Total assets employed		<u>3,455,138</u>	<u>3,492,483</u>
Financed by:			
Capital and reserves			
Called up share capital	8	195,000	195,000
Share premium	9	880,000	880,000
Profit and loss account	10	(2,809,957)	(2,576,480)
Total equity shareholders funds		<u>(1,734,957)</u>	<u>(1,501,480)</u>
Creditors: amounts falling due within one year	11	5,190,095	4,993,963
		<u>3,455,138</u>	<u>3,492,483</u>

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime



H J A Stanford
 Director

Approved by the board on 19 / 12 / 2011

The Bear Hungerford Limited
Notes to the Accounts
for the year ended 31 March 2011

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Going Concern

Albion Ventures LLP, acting as investment manager or advisor to the holders of the company's loan stock, has provided a letter of confirmation that it is not their current intention to seek repayment of the issued loan stock or accrued interest/redemption payments for at least 12 months from the date of approval of these accounts. 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.

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 taxation 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 2010.

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.

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.

The Bear Hungerford Limited
Notes to the Accounts
for the year ended 31 March 2011

3 Operating profit	2011	2010	
	£	£	
This is stated after charging			
Depreciation of owned fixed assets	73,821	132,714	
Depreciation of assets held under finance leases and hire purchase contracts	16,705	16,705	
Directors' remuneration	7,500	1,215	
Auditor's remuneration	4,930	5,200	
	<hr/>	<hr/>	
4 Interest payable	2011	2010	
	£	£	
Loan Stock	321,914	456,218	
Other finance charges	65,188	85,952	
Finance charges payable under finance leases and hire purchase contracts	633	3,995	
	<hr/>	<hr/>	
	387,735	546,165	
5 Intangible fixed assets		£	
Goodwill			
Cost			
At 1 April 2010 and 31 March 2011		1	
Amortisation			
At 1 April 2010 and 31 March 2011		1	
Net book value			
At 1 April 2010 and 31 March 2011		<hr/>	
		-	
6 Tangible fixed assets			
	Land and buildings	Plant and machinery	Total
	£	£	£
Cost			
At 1 April 2010	3,494,230	585,287	4,079,517
Additions	9,280	9,761	19,041
At 31 March 2011	<hr/>	<hr/>	<hr/>
	3,503,510	595,048	4,098,558
Depreciation			
At 1 April 2010	167,712	505,864	673,576
Charge for the year	35,062	55,464	90,526
At 31 March 2011	<hr/>	<hr/>	<hr/>
	202,774	561,328	764,102
Net book value			
At 31 March 2011	<hr/>	<hr/>	<hr/>
	3,300,736	33,720	3,334,456
At 31 March 2010	<hr/>	<hr/>	<hr/>
	3,326,518	79,423	3,405,941
The cost of freehold land and buildings includes £1,092,000 attributable to land which is not depreciated			
	2011	2010	
	£	£	
Net book value of plant and machinery included above held under finance leases and hire purchase contracts	-	20,234	

The Bear Hungerford Limited
Notes to the Accounts
for the year ended 31 March 2011

7 Debtors			2011	2010
			£	£
Trade debtors			28,387	22,959
Other debtors			1,395	4,565
Prepayments and accrued income			25,135	13,523
			<u>54,917</u>	<u>41,047</u>
8 Share capital	2011	2010	2011	2010
	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>
9 Share premium			2011	
			£	
At 1 April 2010			880,000	
At 31 March 2011			<u>880,000</u>	
10 Profit and loss account			2011	
			£	
At 1 April 2010			(2,576,480)	
Loss for the year			(233,477)	
At 31 March 2011			<u>(2,809,957)</u>	
11 Creditors: amounts falling due within one year			2011	2010
			£	£
Secured Loan Stock			2,975,000	2,975,000
Obligations under finance lease and hire purchase contracts			-	14,695
Trade creditors			106,800	104,337
Other taxes and social security costs			41,267	32,689
Other creditors			990	1,785
Accrued interest and redemption premium			2,000,047	1,806,496
Accruals and deferred income			65,991	58,961
			<u>5,190,095</u>	<u>4,993,963</u>

£1,365,000 Secured Loan Stock 2005-10 was issued on 23 March 2005, to Albion Venture Capital Trust plc (£700,000) and Albion Prime VCT plc (£665,000), bears interest at 14% per annum and is repayable on or after 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 Albion Venture Capital Trust plc, bears interest at 14% per annum and is repayable on or after the fifth anniversary of the issue of the stock plus a redemption premium of £122,500

The Bear Hungerford Limited
Notes to the Accounts
for the year ended 31 March 2011

£405,000 Secured Loan Stock 2005-10 was issued on 23 December 2005, to Albion Venture Capital Trust plc (£260,000) and Albion Prime 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 or after 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 Limited 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 or after 31 March 2010 plus a redemption premium of £105,000.

Secured Loan Stock 2005-10 was issued to Healthcare and Leisure Property Limited 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 or after 31 March 2010 plus a redemption premium of £16,625.

£200,000 Secured Loan Stock was issued on 14 September 2006, to Albion Venture Capital Trust plc (£128,000) and Albion Prime VCT plc (£72,000), bears interest at 9.8% per annum and is repayable on or after 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.

12 Obligations under finance leases and hire purchase contracts	2011	2010
	£	£
Amounts payable		
Within one year	-	14,695

13 Transactions with related parties

During the year interest and redemption premia were paid/accrued to Albion Venture Capital Trust plc of £204,617 (2010 £279,247) on loans totalling £1,578,000 (2010 £1,578,000), 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 premia at 31 March 2011 was £1,057,180 (2010 £954,848).

During the year interest and redemption premia were paid/accrued to Albion Prime VCT plc of £117,297 (2010 £156,076) on loans totalling £882,000 (2010 £882,000), 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 premia at 31 March 2011 was £590,663 (2010 £533,461).

During the year redemption premia were paid/accrued to Healthcare and Leisure Property Limited of £65,188 (2010 £85,952) 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 redemption premia at 31 March 2011 was £352,243 (2010 £318,187).

During the year the company incurred monitoring fees of £10,000 (2010 £10,000) from Albion Ventures LLP. The balance of accrued fees outstanding at 31 March 2011 was £43,333 (2010 £38,333).

14 Format of accounts

The company has chosen to adopt balance sheet format 2 of the Companies Act 2006 because the directors are of the opinion that this format gives a more meaningful representation of the financing of the company's activities.