

Registered number  
05359860

**The Bear Hungerford Limited**

**Report and Accounts**

**31 March 2012**



**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**

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 2012

**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 28 / 1 / 2013 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 2012 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 2012 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.

**Emphasis of Matter - Going Concern**

In forming our opinion on the accounts, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the accounts concerning the company's ability to continue as a going concern. The company is considering the possibility of selling the hotel in order to repay its loan creditors, at least in part, from the proceeds. This indicates the existence of material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. An impairment provision has been made in the accounts to reduce the net book value of the property to its estimated current value. The accounts do not include any other adjustments that would result if the company was unable to continue as a going concern.

**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

30/1/2013

9 Risborough Street

London

SE1 0HF

**The Bear Hungerford Limited**  
**Profit and Loss Account**  
**for the year ended 31 March 2012**

	Notes	2012 £	2011 £
<b>Turnover</b>	2	1,441,590	1,363,572
Cost of sales		(330,524)	(300,977)
<b>Gross profit</b>		<u>1,111,066</u>	<u>1,062,595</u>
Administrative expenses		(955,401)	(908,528)
Other operating income		-	-
<b>Operating profit</b>	3	<u>155,665</u>	<u>154,067</u>
Exceptional item			
Impairment of value of property		(738,597)	-
		<u>(582,932)</u>	<u>154,067</u>
Interest receivable		298	191
Interest payable	4	(387,102)	(387,735)
<b>Loss on ordinary activities before taxation</b>		<u>(969,736)</u>	<u>(233,477)</u>
Tax on loss on ordinary activities		-	-
<b>Loss for the financial year</b>		<u>(969,736)</u>	<u>(233,477)</u>

**The Bear Hungerford Limited**  
**Balance Sheet**  
**as at 31 March 2012**

	Notes	2012 £	2011 £
<b>Fixed assets</b>			
Tangible assets	6	2,585,000	3,334,456
<b>Current assets</b>			
Stocks		12,223	13,315
Debtors	7	48,380	54,917
Cash at bank and in hand		33,637	52,450
		<u>94,240</u>	<u>120,682</u>
		94,240	120,682
<b>Total assets employed</b>		<u>2,679,240</u>	<u>3,455,138</u>
<b>Financed by:</b>			
<b>Capital and reserves</b>			
Called up share capital	8	195,000	195,000
Share premium	9	880,000	880,000
Profit and loss account	10	(3,779,693)	(2,809,957)
<b>Total equity shareholders funds</b>		(2,704,693)	(1,734,957)
<b>Creditors: amounts falling due within one year</b>	11	5,383,933	5,190,095
		<u>2,679,240</u>	<u>3,455,138</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 28 / 1 / 2013

**The Bear Hungerford Limited**  
**Notes to the Accounts**  
**for the year ended 31 March 2012**

**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***

The directors intend placing the property on the market with a view to a sale in 2013. The current market value is less than cost and a provision for the impairment in value has been made in these accounts. The directors are of the opinion that the holders of the company's loan stock will not seek repayment of the loan stock or accrued interest until such time as a sale is completed which should enable the company to continue in operational existence for the interim period.

***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 2012.

***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 2012**

<b>3 Operating profit</b>	<b>2012</b>	<b>2011</b>	
	<b>£</b>	<b>£</b>	
This is stated after charging			
Depreciation of owned fixed assets	42,884	83,105	
Depreciation of assets held under finance leases and hire purchase contracts	7,421	7,421	
Directors' remuneration	7,500	7,500	
Auditor's remuneration	5,400	4,930	
<b>4 Interest payable</b>	<b>2012</b>	<b>2011</b>	
	<b>£</b>	<b>£</b>	
Loan Stock	318,990	321,914	
Other finance charges	68,112	65,188	
Finance charges payable under finance leases and hire purchase contracts	-	633	
	387,102	387,735	
<b>5 Intangible fixed assets</b>		<b>£</b>	
Goodwill			
<b>Cost</b>			
At 1 April 2011 and 31 March 2012		1	
<b>Amortisation</b>			
At 1 April 2011 and 31 March 2012		1	
<b>Net book value</b>			
At 1 April 2011 and 31 March 2012		-	
<b>6 Tangible fixed assets</b>			
	<b>Land and buildings</b>	<b>Plant and machinery</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 April 2011	3,503,510	595,048	4,098,558
Additions	29,620	9,826	39,446
At 31 March 2012	3,533,130	604,874	4,138,004
<b>Depreciation and impairment</b>			
At 1 April 2011	202,774	561,328	764,102
Charge for the year	35,183	15,122	50,305
Impairment loss	738,597	-	738,597
At 31 March 2012	976,554	576,450	1,553,004
<b>Net book value</b>			
At 31 March 2012	2,556,576	28,424	2,585,000
At 31 March 2011	3,300,736	33,720	3,334,456

The cost of freehold land and buildings includes £1,092,000 attributable to land which is not depreciated

A provision has been made in these accounts to reduce the net book value of the fixed assets to their estimated realisable value

**The Bear Hungerford Limited**  
**Notes to the Accounts**  
**for the year ended 31 March 2012**

<b>7 Debtors</b>			<b>2012</b>	<b>2011</b>
			<b>£</b>	<b>£</b>
Trade debtors			38,955	28,387
Other debtors			1,975	1,395
Prepayments and accrued income			7,450	25,135
			<u>48,380</u>	<u>54,917</u>
<b>8 Share capital</b>	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>No</b>	<b>No</b>	<b>£</b>	<b>£</b>
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>
<b>9 Share premium</b>			<b>2012</b>	
			<b>£</b>	
At 1 April 2011			880,000	
At 31 March 2012			<u>880,000</u>	
<b>10 Profit and loss account</b>			<b>2012</b>	
			<b>£</b>	
At 1 April 2011			(2,809,957)	
Loss for the year			(969,736)	
At 31 March 2012			<u>(3,779,693)</u>	
<b>11 Creditors: amounts falling due within one year</b>			<b>2012</b>	<b>2011</b>
			<b>£</b>	<b>£</b>
Secured Loan Stock			2,975,000	2,975,000
Trade creditors			107,133	106,800
Other taxes and social security costs			38,571	41,267
Other creditors			900	990
Accrued interest and redemption premium			2,196,436	2,000,047
Accruals and deferred income			65,893	65,991
			<u>5,383,933</u>	<u>5,190,095</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

£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

**The Bear Hungerford Limited**  
**Notes to the Accounts**  
**for the year ended 31 March 2012**

**11 Creditors: amounts falling due within one year (continued)**

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 Transactions with related parties**

During the year interest and redemption premia were paid/accrued to Albion Venture Capital Trust plc of £204,624 (2011 £204,617) on loans totalling £1,578,000 (2011 £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 2012 was £1,159,427 (2011 £1,057,180).

During the year interest and redemption premia were paid/accrued to Albion Prime VCT plc of £114,366 (2011 £117,297) on loans totalling £882,000 (2011 £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 2012 was £647,826 (2011 £590,663).

During the year redemption premia were paid/accrued to Healthcare and Leisure Property Limited of £68,112 (2011 £65,188) 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 2012 was £389,137 (2011 £352,243).

During the year the company incurred monitoring fees of £10,000 (2011 £10,000) from Albion Ventures LLP. The balance of accrued fees outstanding at 31 March 2012 was £34,583 (2011 £43,333).

**13 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.