

Registered number
05359860

The Bear Hungerford Limited

Report and Accounts

31 March 2010

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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

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 2010

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

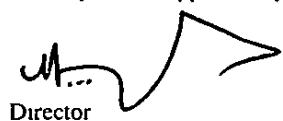
Each person who was a director at the time this report was approved confirms that

- 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 15 / 12 / 2010 and signed on its behalf


Director

Name of director :-
H J A Stanford

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 2010 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.

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 2010 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
15/12/2010

9 Risborough Street
London
SE1 0HF

The Bear Hungerford Limited
Profit and Loss Account
for the year ended 31 March 2010

| | Notes | 2010 £ | 2009 £ |
|--|-------|------------------|------------------|
| Turnover | 2 | 1,319,463 | 1,477,665 |
| Cost of sales | | (312,071) | (349,246) |
| Gross profit | | <u>1,007,392</u> | <u>1,128,419</u> |
| Administrative expenses | | (926,110) | (978,765) |
| Operating profit | 3 | <u>81,282</u> | <u>149,654</u> |
| Interest receivable | | 119 | 1,369 |
| Interest payable | 4 | (546,165) | (542,684) |
| Loss on ordinary activities before taxation | | <u>(464,764)</u> | <u>(391,661)</u> |
| Tax on loss on ordinary activities | | - | - |
| Loss for the financial year | | <u>(464,764)</u> | <u>(391,661)</u> |

The Bear Hungerford Limited
Balance Sheet
as at 31 March 2010

| | Notes | 2010 £ | 2009 £ |
|--|-------|--------------------|--------------------|
| Fixed assets | | | |
| Tangible assets | 6 | 3,405,941 | 3,498,223 |
| Current assets | | | |
| Stocks | | 12,149 | 12,246 |
| Debtors | 7 | 41,047 | 39,228 |
| Cash at bank and in hand | | <u>33,346</u> | <u>13,710</u> |
| | | 86,542 | 65,184 |
| Total assets employed | | <u>3,492,483</u> | <u>3,563,407</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 | <u>(2,576,480)</u> | <u>(2,111,716)</u> |
| Total equity shareholders funds | | (1,501,480) | (1,036,716) |
| Creditors, amounts falling due within one year | 11 | 4,993,963 | 3,490,428 |
| Creditors: amounts falling due after more than one year | 12 | - | 1,109,695 |
| | | <u>3,492,483</u> | <u>3,563,407</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 15/12/2010

The Bear Hungerford Limited
Notes to the Accounts
for the year ended 31 March 2010

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 2010

| | | | |
|--|---------------------------|----------------------------|--------------|
| 3 Operating profit | 2010 | 2009 | |
| | £ | £ | |
| This is stated after charging | | | |
| Depreciation of owned fixed assets | 132,714 | 107,338 | |
| Depreciation of assets held under finance leases and hire purchase contracts | 16,705 | 38,712 | |
| Directors' remuneration | 1,215 | 7,640 | |
| Auditor's remuneration | 5,200 | 5,077 | |
| | | | |
| 4 Interest payable | 2010 | 2009 | |
| | £ | £ | |
| Loan Stock | 456,218 | 435,301 | |
| Other finance charges | 85,952 | 97,656 | |
| Finance charges payable under finance leases and hire purchase contracts | 3,995 | 9,727 | |
| | 546,165 | 542,684 | |
| | | | |
| 5 Intangible fixed assets | | £ | |
| Goodwill | | | |
| Cost | | | |
| At 1 April 2009 and 31 March 2010 | | 1 | |
| Amortisation | | | |
| At 1 April 2009 and 31 March 2010 | | 1 | |
| Net book value | | | |
| At 1 April 2009 and 31 March 2010 | | - | |
| | | | |
| 6 Tangible fixed assets | | | |
| | Land and buildings | Plant and machinery | Total |
| | £ | £ | £ |
| Cost | | | |
| At 1 April 2009 | 3,458,203 | 564,177 | 4,022,380 |
| Additions | 36,027 | 21,110 | 57,137 |
| At 31 March 2010 | 3,494,230 | 585,287 | 4,079,517 |
| Depreciation | | | |
| At 1 April 2009 | 132,937 | 391,220 | 524,157 |
| Charge for the year | 34,775 | 114,644 | 149,419 |
| At 31 March 2010 | 167,712 | 505,864 | 673,576 |
| Net book value | | | |
| At 31 March 2010 | 3,326,518 | 79,423 | 3,405,941 |
| At 31 March 2009 | 3,325,266 | 172,957 | 3,498,223 |
| The cost of freehold land and buildings includes £1,092,000 attributable to land which is not depreciated | | | |
| | 2010 | 2009 | |
| | £ | £ | |
| Net book value of plant and machinery included above held under finance leases and hire purchase contracts | 20,234 | 83,246 | |

The Bear Hungerford Limited
Notes to the Accounts
for the year ended 31 March 2010

| | | | | |
|---|-------------|-------------|--------------------|------------------|
| 7 Debtors | | | 2010 | 2009 |
| | | | £ | £ |
| Trade debtors | | | 22,959 | 4,963 |
| Other debtors | | | 4,565 | 4,565 |
| Prepayments and accrued income | | | 13,523 | 29,700 |
| | | | <u>41,047</u> | <u>39,228</u> |
| 8 Share capital | 2010 | 2009 | 2010 | 2009 |
| | 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 | | | 2010 | |
| | | | £ | |
| At 1 April 2009 | | | 880,000 | |
| At 31 March 2010 | | | <u>880,000</u> | |
| 10 Profit and loss account | | | 2010 | |
| | | | £ | |
| At 1 April 2009 | | | (2,111,716) | |
| Loss for the year | | | (464,764) | |
| At 31 March 2010 | | | <u>(2,576,480)</u> | |
| 11 Creditors: amounts falling due within one year | | | 2010 | 2009 |
| | | | £ | £ |
| Secured Loan Stock | | | 2,975,000 | 1,880,000 |
| Obligations under finance lease and hire purchase contracts | | | 14,695 | 19,965 |
| Trade creditors | | | 104,337 | 89,503 |
| Other taxes and social security costs | | | 32,689 | 29,761 |
| Other creditors | | | 1,785 | 312 |
| Accrued interest and redemption premium | | | 1,806,496 | 1,393,756 |
| Accruals and deferred income | | | 58,961 | 77,131 |
| | | | <u>4,993,963</u> | <u>3,490,428</u> |
| 12 Creditors: amounts falling due after one year | | | 2010 | 2009 |
| | | | £ | £ |
| Secured Loan Stock | | | - | 1,095,000 |
| Obligations under finance lease and hire purchase contracts | | | - | 14,695 |
| | | | <u>-</u> | <u>1,109,695</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 Protected 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 2010

£405,000 Secured Loan Stock 2005-10 was issued on 23 December 2005, to Albion Venture Capital Trust plc (£260,000) and Albion 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 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 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 or after 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 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 Protected 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.

| 13 Obligations under finance leases and hire purchase contracts | 2010 | 2009 |
|--|---------------|---------------|
| | £ | £ |
| Amounts payable | | |
| Within one year | 14,695 | 19,965 |
| Within two to five years | - | 14,695 |
| | <u>14,695</u> | <u>34,660</u> |

14 Transactions with related parties

During the year interest and redemption premia were paid/accrued to Albion Venture Capital Trust plc of £279,247 (2009 £272,794) on loans totalling £1,578,000 (2009 £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 2010 was £914,301 (2009 £708,774).

During the year interest and redemption premia were paid/accrued to Albion Protected VCT plc of £156,076 (2009 £159,602) on loans totalling £882,000 (2009 £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 2010 was £553,114 (2009 £403,064).

During the year redemption premia were paid/accrued to Healthcare and Leisure Property Fund plc of £85,952 (2009 £96,836) 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 2010 was £318,187 (2009 £245,152).

During the year the company incurred monitoring fees of £10,000 (2009 £10,000) from Albion Ventures LLP. The balance of accrued fees outstanding at 31 March 2010 was £38,333 (2008 £33,333).

15 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.