

**ROMAN WAY CANNOCK LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR TO 31<sup>ST</sup> DECEMBER 2008**



**Registered Number: 6001766**

**ROMAN WAY CANNOCK LIMITED  
REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2008**

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<b>CONTENTS</b>	<b>Page</b>
Directors' report	1 - 2
Independent auditors' report	3 - 4
Profit and loss account	5
Statement of Total Recognised gains and Losses	5
Balance sheet	6
Notes to the financial statements	7 - 10

**ROMAN WAY CANNOCK LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

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The directors present their report and the audited financial statements for the year ended 31 December 2008.

**PRINCIPAL ACTIVITIES**

The principal activity of the company during the year was the operation of a hotel.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The principal risks faced by the Company are credit risk and market risk. Credit risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the Company. The risk is mitigated by the Company by taking deposits at the time of booking for larger functions and by securing bookings with credit cards.

**KEY PERFORMANCE INDICATORS**

The key performance indicators for the Company are considered to be turnover and net profit:

	2008 £	2007 £
Turnover	1,070,487	991,200
Net loss	(335,741)	(479,810)

**RESULTS**

The loss for the year was £335,741. The directors recognize that the Company has made a loss for the year and in conjunction with the administrator are looking to improve future performance by increasing occupancy and reducing costs.

**DIRECTORS**

The following were directors during the year:

Jon Clarke  
Chris Carter Keall (appointed 12.12.08)  
Robert Cotterell (resigned 12.12.08)

**DIRECTORS' RESPONSIBILITIES STATEMENT**

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

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 year. In preparing those financial statements, 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 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 to enable them to ensure that the financial statements 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.

**ROMAN WAY CANNOCK LIMITED**  
**DIRECTORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

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**DISCLOSURE OF INFORMATION TO AUDITORS**

So far as each of the directors is aware at the time the report is approved:

- 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.

**AUDITORS**

A resolution to reappoint Ernst & Young LLP as auditors will be put to the directors at the Annual General Meeting.

This report was approved by the directors on 3 September 2009 and signed on behalf of the directors by:

A handwritten signature in black ink, appearing to read 'J. Culnekeall', is written above the title 'Director'.

Director

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
ROMAN WAY CANNOCK LIMITED  
FOR THE YEAR ENDED 31 DECEMBER 2008**

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We have audited the financial statements of Roman Way Cannock Limited for the year ended 31 December 2008 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 15. These accounts have been prepared on the basis of 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 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 directors and auditors**

The Directors' Responsibilities for preparing the financial statements with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Directors' Responsibilities Statement.

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 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 other transactions 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, except that the scope of our work was limited as explained below.

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 judgements 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
ROMAN WAY CANNOCK LIMITED (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2008**

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**Opinion**

In the prior year ended 31 December 2007, because of a lack of audit evidence, we were unable to complete our sample of sales transaction testing, we were unable to verify the bank reconciliation supporting the cash balance of £20,449, we were unable to observe the counting of physical stock having a carrying amount of £8,558, we were unable to obtain support for net deposits held totaling £19,278, we were unable to obtain support for other debtors totalling £69,207 and we were unable to obtain support for other creditors totalling £67,585. As a result of this we have been unable to obtain sufficient appropriate audit evidence concerning sales, cash, stock, other creditors and accruals and other debtors.

Because of the significance of the above matters in relation to the results of the Company's operations for the years ended 31 December 2008 and 31 December 2007, we are not in a position to, and do not, express an opinion on the results of its operations for the years then ended. In addition, because of the significance of the above matters in relation to the financial position of the Company as at 31 December 2007, we are not in a position to, and do not, express an opinion on the financial position of the Company as at 31 December 2007.

In our opinion:

- the balance sheet gives a true and fair view of the financial position of the Company as at 31 December 2008, in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' report is consistent with the financial statements.

*Ernst & Young LLP*

Ernst & Young LLP  
Chartered Accountants  
Registered Auditors

*1<sup>st</sup> October 2009*

**ROMAN WAY CANNOCK LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

	Notes	2008 £	2007 £
<b>TURNOVER</b>	2	1,067,690	991,200
Cost of Sales		(832,443)	(762,624)
<b>GROSS PROFIT</b>		235,247	228,576
Administrative expenses		(570,988)	(708,386)
<b>OPERATING LOSS</b>		(335,741)	(479,810)
Interest receivable		-	-
Interest payable		-	-
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	3	(335,741)	(479,810)
Taxation	5	-	-
<b>LOSS ON ORDINARY ACTIVITIES AFTER TAXATION</b>		(335,741)	(479,810)

Amounts stated in the profit and loss account relate to continuing operations.

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**

There were no recognised gains or losses during the year

The notes on pages 7 to 10 form part of these financial statements.

**ROMAN WAY CANNOCK LIMITED**  
**BALANCE SHEET**  
**AT 31 DECEMBER 2008**

	Note	2008 £	2007 £
<b>FIXED ASSETS</b>			
Intangible assets	6	-	1
Tangible assets	7	-	9,999
<b>CURRENT ASSETS</b>			
Stock	8	9,449	8,558
Debtors	9	78,165	111,926
Cash		3,337	20,449
		<u>90,951</u>	<u>140,933</u>
<b>CREDITORS: amounts falling due within one year</b>	10	<u>(906,500)</u>	<u>(630,741)</u>
<b>NET CURRENT LIABILITIES</b>		<u>(815,549)</u>	<u>(489,808)</u>
<b>TOTAL LIABILITIES</b>		<u>(815,549)</u>	<u>(479,808)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	2	2
Profit and loss account	12	(815,551)	(479,810)
<b>EQUITY SHAREHOLDERS FUNDS</b>	13	<u>(815,549)</u>	<u>(479,808)</u>

The financial statements were approved and authorised for issue by the Board of Directors on 30 September 2009 and were signed below on its behalf by:



Director

The notes on pages 7 to 10 form part of these financial statements.



**ROMAN WAY CANNOCK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

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**1. ACCOUNTING POLICIES**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

**Basis of preparation**

The financial statements have been prepared in accordance with applicable UK accounting standards under the historical cost convention.

The Company is dependent on the financial support of its immediate parent undertaking. The Directors believe this support will continue and that it is therefore appropriate to prepare the financial statements on a going concern basis.

**Taxation**

Current tax is provided at amounts expected to be paid (or recovered) using tax rates and laws that have been enacted and substantially enacted at the balance sheet date.

**Stock**

Stock is stated at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

**Depreciation**

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition, of each asset evenly over its expected useful life as follows:

Fixtures and fittings - over 20 years

**Cashflow statement**

The Company is exempt from the requirements of FRS1 (revised) and therefore has not prepared a cashflow statement as the results are consolidated into the accounts of the Osprey Limited Partnership who owns 100% of the share capital in the Company.

**2. TURNOVER**

Turnover represents food and beverage sales, room rental and other fee income during the year. Turnover and operating profit are both solely derived from continuing operations. The source of turnover is the United Kingdom.

**3. LOSS ON ORDINARY ACTIVITIES**

Auditors' remuneration has been borne by the immediate parent undertaking.

**4. STAFF COSTS**

	2008 £	2007 £
Wages and salaries	509,451	439,265
Social security costs	32,518	27,440
	<u>541,969</u>	<u>466,705</u>

The average monthly number of employees during the year was 27 (2007: 25)

The directors do not receive any remuneration from the company. Directors' remuneration is borne by the property asset manager, Valad Property Group.

**ROMAN WAY CANNOCK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

**5. TAX**

(a) Tax on profit on ordinary activities

The tax charge is made up as follows:

	2008	2007
	£	£
UK Corporation tax on results of the year	-	-

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is at the standard rate of corporation tax in the UK of 28%.

	2008	2007
	£	£
Loss on ordinary activities before tax	(335,741)	(479,810)
Tax on loss on ordinary activities at standard UK corporation rate of 28% (2007: 30%)	94,007	143,943
Tax losses not utilised	(94,007)	(143,943)
Tax charge for the year	-	-

**6. INTANGIBLE FIXED ASSETS**

	Goodwill	Total
	£	£
<b>Cost</b>		
At 1 January 2008	1	1
Additions during the year	-	-
At 31 December 2008	1	1
<b>Amortisation</b>		
At 1 January 2008 and 31 December 2008	1	1
<b>Net Book Value</b>		
At 31 December 2008	-	-
<b>Net Book Value</b>		
At 31 December 2007	1	1

**ROMAN WAY CANNOCK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

**7. TANGIBLE FIXED ASSETS**

	<b>Fixtures and Fittings £</b>	<b>Total £</b>
<b>Cost</b>		
At 1 January 2008	9,999	9,999
Additions during the year	-	-
At 31 December 2008	<u>9,999</u>	<u>9,999</u>
<b>Depreciation</b>		
At 1 January 2008 and 31 December 2008	<u>9,999</u>	<u>9,999</u>
<b>Net Book Value</b>		
At 31 December 2008	<u>-</u>	<u>-</u>
<b>Net Book Value</b>		
At 31 December 2007	<u>9,999</u>	<u>9,999</u>

**8. STOCKS**

	<b>2008 £</b>	<b>2007 £</b>
Raw materials and consumables	<u>9,449</u>	<u>8,558</u>

The difference between purchase price and replacement cost is not material.

**9. DEBTORS**

	<b>2008 £</b>	<b>2007 £</b>
Trade debtors	48,273	42,719
Other debtors and prepayments	29,892	69,207
	<u>78,165</u>	<u>111,926</u>

**10. CREDITORS: amounts falling due within one year**

	<b>2008 £</b>	<b>2007 £</b>
Trade creditors	757,321	542,034
Other taxes and social security	18,568	11,124
Amounts owed to group undertakings	109,998	9,998
Other creditors	-	12,803
Accruals and deferred income	20,613	54,782
	<u>906,500</u>	<u>630,741</u>

**ROMAN WAY CANNOCK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

<b>11. SHARE CAPITAL</b>	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
<b>Authorised:</b>		
100 ordinary shares of £1 each	100	100
<b>Allotted, issued and fully paid:</b>		
2 ordinary shares of £1 each	2	2
During the year 2 ordinary shares of £1 each were issued.		
<b>12. RESERVES</b>	<b>Profit and loss account</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
At 1 January 2008	(479,810)	(479,810)
Loss for the year	(335,741)	(339,353)
Dividend paid	-	-
As at 31 December 2008	(815,551)	(819,163)
<b>13. RECONCILIATION OF SHAREHOLDERS' FUNDS</b>	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Issue of ordinary shares	-	2
Loss for the financial year	(335,741)	(479,810)
Movement in shareholders' funds	(335,741)	(479,808)
Opening shareholders' funds	(479,808)	-
Closing shareholders' funds	(815,549)	(479,808)

**14. RELATED PARTIES**

The Company is exempt under Financial Reporting Standard 8 from disclosing related party transactions with entities that are part of The Osprey Limited Partnership group.

**15. ULTIMATE PARENT UNDERTAKING**

The immediate parent undertaking is The Osprey Limited Partnership, a partnership registered in England and Wales.