

Abbreviated Financial Statements
for the Year Ended 4 April 1998
for
Glynhill Hotel Limited

4



Glynhill Hotel Limited

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for the Year Ended 4 April 1998

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Glynhill Hotel Limited

Company Information
for the Year Ended 4 April 1998

DIRECTORS:	Miss M Nicholas Mrs J Stevenson D M D Whyte A H Nicholas F Scholarios A Nicholas
SECRETARY:	Miss M Nicholas
REGISTERED OFFICE:	147 Bath Street Glasgow G2 4SN
REGISTERED NUMBER:	SCO 44852
AUDITORS:	Gillespie & Anderson Registered Auditors Chartered Accountants 147 Bath Street Glasgow G2 4SN
BANKERS:	The Royal Bank of Scotland plc 1 Moncrieff Street Paisley PA3 2AW

Glynhill Hotel Limited

Report of the Directors
for the Year Ended 4 April 1998

The directors present their report with the financial statements of the company for the year ended 4 April 1998.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of hotel proprietors.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

The directors are of the view that the business has developed in the course of the year and that the position at the end of the year is satisfactory.

DIVIDENDS

No interim dividend was paid during the year. The directors recommend a final dividend of £1 per share.

The total distribution of dividends for the year ended 4 April 1998 will be £115,001.

FIXED ASSETS

The movement in fixed assets during the year are summarised in the notes to the financial statements.

No formal valuation has yet been made of the company's interests in land. However, the directors are of the opinion that the market value is substantially higher than the amount at which it is included in the balance sheet, and draw the attention of the members of the company to this fact in accordance with schedule 7, paragraph 1 (2) of the Companies Act 1985.

RESEARCH AND DEVELOPMENT

In view of the nature of the company's trade, the company is not active in the field of research and development.

FUTURE DEVELOPMENTS

The company has no specific plans for future development.

Glynhill Hotel Limited

Report of the Directors
for the Year Ended 4 April 1998

DIRECTORS

The directors during the year under review were:

H Nicholas - deceased 24.10.97
Miss M Nicholas
Mrs J Stevenson
D M D Whyte
A H Nicholas
F Scholarios
A Nicholas

The beneficial interests of the directors holding office on 4 April 1998 in the issued share capital of the company were as follows:

	4.4.98	5.4.97
Ordinary Shares £1 shares		
Miss M Nicholas	29,600	18,600
Mrs J Stevenson	1,999	1,999
D M D Whyte	1	1
A H Nicholas	29,600	18,600
F Scholarios	-	-
A Nicholas	18,600	18,600

The shares belonging to the late Mr. Harry Nicholas disclosed in the previous year were held by the executors of his estate at the balance sheet date, and have been bought back by the company in the current financial year, along with the shares belonging to Mrs. Stevenson.

CHARITABLE DONATIONS

During the course of the year, the company made charitable donations totalling £3,012.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 period. 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.

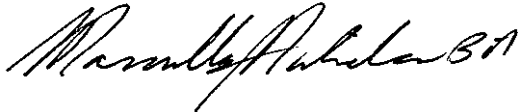
Glynhill Hotel Limited

Report of the Directors
for the Year Ended 4 April 1998

AUDITORS

The auditors, Gillespie & Anderson, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'M. Nicholas', followed by the letters 'BN'.

Miss M Nicholas - Secretary

Dated: 25 November 1998

Glynhill Hotel Limited

Report of the Auditors to
Glynhill Hotel Limited

Under Section 247B of the Companies Act 1985

We have examined the abbreviated financial statements on pages six to sixteen, together with the full financial statements of the company for the year ended 4 April 1998 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

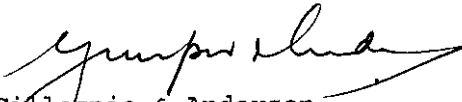
The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages six to sixteen are properly prepared in accordance with that provision.


Gillespie & Anderson
Registered Auditors
Chartered Accountants
147 Bath Street
Glasgow
G2 4SN

Dated: 26 November 1998

Glynhill Hotel Limited

Abbreviated Profit and Loss Account
for the Year Ended 4 April 1998

	Notes	1998		1997	
		£	£	£	£
GROSS PROFIT			2,591,757		2,470,029
Administrative expenses			1,662,344		1,634,233
OPERATING PROFIT	3		929,413		835,796
Income from investments		219		197	
Interest receivable and similar income	4	77,475	77,694	25,915	26,112
			1,007,107		861,908
Interest payable and similar charges	5		57		2,056
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			1,007,050		859,852
Tax on profit on ordinary activities	6		329,266		206,371
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION			677,784		653,481
Dividends	7		115,001		165,000
			562,783		488,481
Retained profit brought forward			3,298,520		2,810,039
RETAINED PROFIT CARRIED FORWARD			£3,861,303		£3,298,520

CONTINUING OPERATIONS

None of the company's activities was acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current and previous years.

The notes form part of these financial statements

Glynhill Hotel Limited

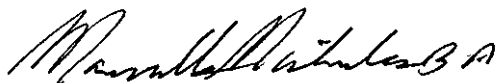
Abbreviated Balance Sheet

4 April 1998

		1998		1997	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	8		3,660,760		3,748,940
Investments	9		1,856		1,856
			<hr/>		<hr/>
			3,662,616		3,750,796
CURRENT ASSETS:					
Stocks	10	56,871		59,307	
Debtors	11	170,749		214,676	
Cash at bank and in hand		1,656,038		860,896	
		<hr/>		<hr/>	
		1,883,658		1,134,879	
CREDITORS: Amounts falling due within one year					
	12	1,097,419		1,011,520	
		<hr/>		<hr/>	
NET CURRENT ASSETS:			786,239		123,359
			<hr/>		<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES:			4,448,855		3,874,155
PROVISIONS FOR LIABILITIES AND CHARGES:					
	14		422,552		410,635
			<hr/>		<hr/>
			£4,026,303		£3,463,520
			<hr/>		<hr/>
CAPITAL AND RESERVES:					
Called up share capital	15		165,000		165,000
Profit and loss account			3,861,303		3,298,520
			<hr/>		<hr/>
Shareholders' funds	17		£4,026,303		£3,463,520
			<hr/>		<hr/>

These abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

ON BEHALF OF THE BOARD:



Miss M Nicholas - Director

Approved by the Board on 25 November 1998

The notes form part of these financial statements

Glynhill Hotel Limited

Cash Flow Statement
for the Year Ended 4 April 1998

		1998	1997
	Notes	£	£
Net cash inflow from operating activities	1	1,252,536	976,080
Returns on investments and servicing of finance	2	77,637	24,056
Taxation		(326,321)	(194,006)
ACT utilised/(remitted)		41,250	(41,250)
Capital expenditure	2	(87,225)	(83,498)
Equity dividends paid		(165,000)	(95,000)
		<u>792,877</u>	<u>586,382</u>
Financing	2	2,265	-
Increase in cash in the period		<u>£795,142</u>	<u>£586,382</u>
<hr/>			
Reconciliation of net cash flow to movement in net funds	3		
Increase in cash in the period		<u>795,142</u>	<u>586,382</u>
Change in net funds resulting from cash flows		<u>795,142</u>	<u>586,382</u>
Movement in net funds in the period		<u>795,142</u>	<u>586,382</u>
Net funds at 5 April 1997		<u>860,896</u>	<u>274,514</u>
Net funds at 4 April 1998		<u>£1,656,038</u>	<u>£860,896</u>

The notes form part of these financial statements

Glynhill Hotel Limited

Notes to the Cash Flow Statement
for the Year Ended 4 April 1998

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	1998 £	1997 £
Operating profit	929,413	835,796
Depreciation charges	171,179	177,273
Loss on sale of fixed assets	4,224	2,164
Decrease in stocks	2,436	1,614
Decrease/(Increase) in debtors	43,927	(37,201)
Increase/(Decrease) in creditors	101,357	(3,566)
	<hr/>	<hr/>
Net cash inflow from operating activities	1,252,536	976,080
	<hr/>	<hr/>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	1998 £	1997 £
Returns on investments and servicing of finance		
Interest received	77,475	25,915
Interest paid	(57)	(2,056)
Dividends received	219	197
	<hr/>	<hr/>
Net cash inflow for returns on investments and servicing of finance	77,637	24,056
	<hr/>	<hr/>
Capital expenditure		
Purchase of tangible fixed assets	(87,725)	(83,498)
Sale of tangible fixed assets	500	-
	<hr/>	<hr/>
Net cash outflow for capital expenditure	(87,225)	(83,498)
	<hr/>	<hr/>
Financing		
Loan repayments in year	2,265	-
	<hr/>	<hr/>
Net cash inflow from financing	2,265	-
	<hr/>	<hr/>

The notes form part of these financial statements

Glynhill Hotel Limited

Notes to the Cash Flow Statement
for the Year Ended 4 April 1998

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 5.4.97 £	Cash flow £	At 4.4.98 £
Net cash:			
Cash at bank and in hand	860,896	795,142	1,656,038
	<u>860,896</u>	<u>795,142</u>	<u>1,656,038</u>
Total	<u>860,896</u>	<u>795,142</u>	<u>1,656,038</u>
Analysed in Balance Sheet			
Cash at bank and in hand	860,896		1,656,038
	<u>860,896</u>		<u>1,656,038</u>

The notes form part of these financial statements

Glynhill Hotel Limited

Notes to the Abbreviated Financial Statements
for the Year Ended 4 April 1998

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land & buildings	- 2% on cost
Leisure complex plant	- 10% on reducing balance
Heating installation	- 10% on reducing balance
Electrical installation	- 10% on reducing balance
Plant & fittings	- 10% on reducing balance
Furnishings	- 10% on reducing balance
Motor vehicles	- 20% on reducing balance

As permitted by the Companies Act, crockery, glassware and linen have been stated at a fixed quantity and value since their quantity, value and composition is not subject to material variation and their overall value is not material to assessing the company's state of affairs.

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Pensions

The company operates two pension schemes. The executive pension scheme is a defined contribution scheme containing four employees while the staff pension scheme is a group personal pension plan.

The assets of both schemes are held separately from those of the company in individually administered funds. Contributions payable for the year are charged in the profit and loss account.

Glynhill Hotel Limited

Notes to the Abbreviated Financial Statements
for the Year Ended 4 April 1998

2. STAFF COSTS

	1998	1997
	£	£
Wages and salaries	1,351,855	1,327,697
Social security costs	100,959	93,737
Other pension costs	74,899	69,078
	<u>1,527,713</u>	<u>1,490,512</u>

The average monthly number of employees during the year was as follows:

	1998	1997
Directors	7	7
Administration	20	21
Others	176	175
	<u>203</u>	<u>203</u>

3. OPERATING PROFIT

The operating profit is stated after charging:

	1998	1997
	£	£
Depreciation - owned assets	171,179	177,273
Loss on disposal of fixed assets	4,224	2,164
Auditors' remuneration	4,500	4,500
	<u>191,805</u>	<u>188,594</u>

4. INTEREST RECEIVABLE AND SIMILAR INCOME

	1998	1997
	£	£
Deposit account interest	<u>77,475</u>	<u>25,915</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	1998	1997
	£	£
Bank interest	<u>57</u>	<u>2,056</u>

Glynhill Hotel Limited

Notes to the Abbreviated Financial Statements
for the Year Ended 4 April 1998

6. **TAXATION**

The tax charge on the profit on ordinary activities for the year was as follows:

	1998	1997
	£	£
UK Corporation Tax	307,318	236,379
Under provision in prior year	22,488	311
Tax on Franked Investment Income	43	39
Deferred taxation	(583)	(30,358)
	<u>329,266</u>	<u>206,371</u>

UK Corporation Tax has been charged at 31% (1997 - 33%).

7. **DIVIDENDS**

	1998	1997
	£	£
Equity shares:		
Final - ordinary shares	<u>115,001</u>	<u>165,000</u>

8. **TANGIBLE FIXED ASSETS**

	Land & buildings	Leisure complex plant	Heating installation	Electrical installation
	£	£	£	£
COST:				
At 5 April 1997	3,307,981	419,291	256,223	267,532
Additions	<u>33,338</u>	<u>3,260</u>	<u>8,352</u>	<u>-</u>
At 4 April 1998	<u>3,341,319</u>	<u>422,551</u>	<u>264,575</u>	<u>267,532</u>
DEPRECIATION:				
At 5 April 1997	519,142	243,812	166,740	171,515
Charge for year	<u>66,816</u>	<u>17,856</u>	<u>9,780</u>	<u>9,612</u>
At 4 April 1998	<u>585,958</u>	<u>261,668</u>	<u>176,520</u>	<u>181,127</u>
NET BOOK VALUE:				
At 4 April 1998	<u>2,755,361</u>	<u>160,883</u>	<u>88,055</u>	<u>86,405</u>
At 4 April 1997	<u>2,788,839</u>	<u>175,479</u>	<u>89,483</u>	<u>96,017</u>

Glynhill Hotel Limited

Notes to the Abbreviated Financial Statements
for the Year Ended 4 April 1998

8. TANGIBLE FIXED ASSETS - continued

	Plant & fittings	Furnishings	Motor vehicles	Crockery, glassware linen	Totals
	£	£	£	£	£
COST:					
At 5 April 1997	850,646	556,097	113,280	12,173	5,783,223
Additions	27,415	2,805	12,555	-	87,725
Disposals	(3,130)	-	(9,282)	-	(12,412)
At 4 April 1998	874,931	558,902	116,553	12,173	5,858,536
DEPRECIATION:					
At 5 April 1997	508,416	352,622	72,038	-	2,034,285
Charge for year	36,792	20,171	10,152	-	171,179
Eliminated on disposals	(1,456)	-	(6,232)	-	(7,688)
At 4 April 1998	543,752	372,793	75,958	-	2,197,776
NET BOOK VALUE:					
At 4 April 1998	331,179	186,109	40,595	12,173	3,660,760
At 4 April 1997	342,231	203,476	41,242	12,173	3,748,940

All buildings owned by the company are held as freehold property.

9. FIXED ASSET INVESTMENTS

	£
COST:	
At 5 April 1997 and 4 April 1998	1,856
NET BOOK VALUE:	
At 4 April 1998	1,856
At 4 April 1997	1,856
	1998 1997
	£ £
Investments listed on recognised stock exchange	1,856 1,856

Market value of listed investments at 4 April 1998 - £8,953 (1997 - £5,006).

10. STOCKS

	1998	1997
	£	£
Goods for resale	56,871	59,307

Glynhill Hotel Limited

Notes to the Abbreviated Financial Statements
for the Year Ended 4 April 1998

11. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR

	1998	1997
	£	£
Trade debtors	161,352	204,767
Prepayments	9,397	9,909
	<u>170,749</u>	<u>214,676</u>

12. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR

	1998	1997
	£	£
Trade creditors	165,924	172,705
Directors current accounts	2,265	-
Leisure complex subscriptions prepaid	48,997	34,981
Deposits	66,053	48,972
Dividend proposed	115,001	165,000
V.A.T.	146,307	124,518
Social security & other taxes	29,624	33,377
Taxation	309,908	277,629
Accrued expenses	213,340	154,338
	<u>1,097,419</u>	<u>1,011,520</u>

13. SECURED DEBTS

The Royal Bank of Scotland plc holds a standard security over the hotel known as Glynhill Hotel, 169 Paisley Road, Renfrew, dated 26/7/79, together with a bond and floating charge over the company's whole assets and undertakings, dated 7/6/72.

14. PROVISIONS FOR LIABILITIES AND CHARGES

	1998	1997
	£	£
Deferred taxation	<u>422,552</u>	<u>410,635</u>
	Deferred taxation	
	£	
Balance at 5 April 1997	410,635	
Change in provision	(583)	
A.C.T. recoverable	12,500	
	<u>422,552</u>	
Balance at 4 April 1998		

Glynhill Hotel Limited

Notes to the Abbreviated Financial Statements
for the Year Ended 4 April 1998

14. **PROVISIONS FOR LIABILITIES AND CHARGES - continued**

Deferred taxation for which provision has been made in the financial statements and the amounts for which no provision has been made, are as follows:

	Provided		Not provided	
	1998	1997	1998	1997
	£	£	£	£
Deferred taxation	422,552	410,635	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

15. **CALLED UP SHARE CAPITAL**

Authorised:

Number:	Class:	Nominal value:	1998	1997
			£	£
1,000,000	Ordinary Shares	£1	1,000,000	1,000,000
			<u> </u>	<u> </u>

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	1998	1997
			£	£
165,000	Ordinary Shares	£1	165,000	165,000
			<u> </u>	<u> </u>

During the course of the current financial year, the company bought back 49,999 £1 ordinary shares at a cost of £1,999,960.

16. **PENSION COMMITMENTS**

The company operates two pension schemes. The executive pension scheme is a defined contribution scheme containing four employees, while the staff pension scheme is a group personal pension scheme.

The assets of both schemes are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to both funds and amounted to £74,899 in the current year (1997 - £69,078).

Accrued pension contributions amount to £40,000 at the year end (1997 - Nil).

17. **RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	1998	1997
	£	£
Profit for the financial year	677,784	653,481
Dividends	(115,001)	(165,000)
	<u> </u>	<u> </u>
NET ADDITION TO SHAREHOLDERS' FUNDS	562,783	488,481
Opening shareholders' funds	3,463,520	2,975,039
	<u> </u>	<u> </u>
CLOSING SHAREHOLDERS' FUNDS	4,026,303	3,463,520
	<u> </u>	<u> </u>
Equity interests	4,026,303	3,463,520
	<u> </u>	<u> </u>