

Abbreviated Financial Statements

for the Year Ended 4 April 2001

for

Glynhill Hotel Limited



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**Glynhill Hotel Limited**

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**for the Year Ended 4 April 2001**

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**Glynhill Hotel Limited**

**Company Information**  
**for the Year Ended 4 April 2001**

**DIRECTORS:** Miss M Nicholas  
Mrs J Stevenson  
A H Nicholas  
F Scholarios  
R 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 2001

The directors present their report with the financial statements of the company for the year ended 4 April 2001.

#### **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 £2 per share.

The total distribution of dividends for the year ended 4 April 2001 will be £230,000.

#### **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.

#### **DIRECTORS**

The directors during the year under review were:

Miss M Nicholas

Mrs J Stevenson

D M D Whyte

- deceased 6.9.00

A H Nicholas

F Scholarios

R Nicholas

The beneficial interests of the directors holding office on 4 April 2001 in the issued share capital of the company were as follows:

	4.4.01	5.4.00
<b>Ordinary Shares £1 shares</b>		
Miss M Nicholas	29,600	29,600
Mrs J Stevenson	-	-
A H Nicholas	29,600	29,600
F Scholarios	-	-
R Nicholas	18,600	18,600

The directors note with regret the death of Mr Whyte on 6 September 2000, and express their gratitude in respect of his valuable contribution to the company over the years.

#### **DONATIONS**

During the course of the year, the company made charitable donations totalling £580 (2000 - £1,559).

**Glynhill Hotel Limited**

**Report of the Directors**  
**for the Year Ended 4 April 2001**

**PURCHASE OF OWN SHARES**

Details relating to the buy-back of shares on Mr Whyte's death are contained in the notes to the financial statements.

**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.

**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:**



Miss M Nicholas - SECRETARY

Dated: 10 December 2001

**Glynhill Hotel Limited**

**Report of the Independent Auditors to**  
**Glynhill Hotel Limited**  
**Under Section 247B of the Companies Act 1985**

We have examined the abbreviated financial statements on pages five to fifteen, together with the full financial statements of the company for the year ended 4 April 2001 prepared under Section 226 of the Companies Act 1985.

**Respective responsibilities of directors and auditors**

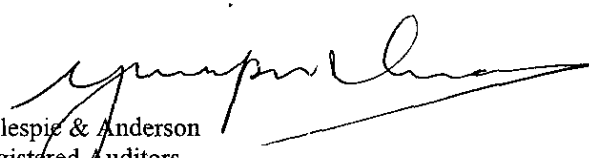
The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance 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 audit 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 five to fifteen are properly prepared in accordance with that provision.



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

Dated: 10 December 2001

**Glynhill Hotel Limited**

**Abbreviated Profit and Loss Account**  
**for the Year Ended 4 April 2001**

	Notes	2001		2000	
		£	£	£	£
<b>GROSS PROFIT</b>			2,621,044		2,851,362
Administrative expenses			1,784,353		1,767,520
<b>OPERATING PROFIT</b>	3		836,691		1,083,842
Income from investments		238		202	
Interest receivable and similar income		41,758	41,996	15,127	15,329
			878,687		1,099,171
Interest payable and similar charges	4		1,792		361
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>			876,895		1,098,810
Tax on profit on ordinary activities	5		248,129		325,982
<b>PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>			628,766		772,828
Dividends	6		230,000		230,002
			398,766		542,826
Retained profit brought forward			2,898,075		2,355,249
			3,296,841		2,898,075
Purchase of own shares			(39)		-
<b>RETAINED PROFIT CARRIED FORWARD</b>			<u>£3,296,802</u>		<u>£2,898,075</u>

**CONTINUING OPERATIONS**

None of the company's activities were 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 2001**

		2001		2000	
	Notes	£	£	£	£
<b>FIXED ASSETS:</b>					
Tangible assets	7		3,500,003		3,579,252
Investments	8		1,856		1,856
			<u>3,501,859</u>		<u>3,581,108</u>
<b>CURRENT ASSETS:</b>					
Stocks	9	60,796		67,329	
Debtors	10	203,409		220,713	
Cash at bank and in hand		1,077,968		799,485	
		<u>1,342,173</u>		<u>1,087,527</u>	
<b>CREDITORS:</b> Amounts falling due within one year	11	937,271		1,176,822	
		<u>937,271</u>		<u>1,176,822</u>	
<b>NET CURRENT ASSETS/(LIABILITIES):</b>			404,902		(89,295)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>			<u>3,906,761</u>		<u>3,491,813</u>
<b>PROVISIONS FOR LIABILITIES AND CHARGES:</b>	13		494,959		478,737
			<u>£3,411,802</u>		<u>£3,013,076</u>
<b>CAPITAL AND RESERVES:</b>					
Called up share capital	14		115,000		115,001
Profit and loss account			3,296,802		2,898,075
<b>SHAREHOLDERS' FUNDS:</b>	18		<u>£3,411,802</u>		<u>£3,013,076</u>

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 10 December 2001

The notes form part of these financial statements



**Glynhill Hotel Limited**

**Cash Flow Statement**  
**for the Year Ended 4 April 2001**

		<u>2001</u>	<u>2000</u>
	Notes	£	£
<b>Net cash inflow from operating activities</b>	1	861,068	1,299,336
<b>Returns on investments and servicing of finance</b>	2	40,204	14,968
<b>Taxation</b>		(299,752)	(257,447)
<b>Capital expenditure</b>	2	(92,996)	(179,193)
<b>Equity dividends paid</b>		<u>(230,002)</u>	<u>(230,002)</u>
		<b>278,522</b>	<b>647,662</b>
<b>Financing</b>	2	<u>(39)</u>	<u>(379)</u>
<b>Increase in cash in the period</b>		<b><u>£278,483</u></b>	<b><u>£647,283</u></b>
<hr/>			
<b>Reconciliation of net cash flow to movement in net funds</b>	3		
<b>Increase in cash in the period</b>		<b><u>278,483</u></b>	<b><u>647,283</u></b>
<b>Change in net funds resulting from cash flows</b>		<b><u>278,483</u></b>	<b><u>647,283</u></b>
<b>Movement in net funds in the period</b>		<b>278,483</b>	<b>647,283</b>
<b>Net funds at 5 April</b>		<b><u>799,485</u></b>	<b><u>152,202</u></b>
<b>Net funds at 4 April</b>		<b><u>£1,077,968</u></b>	<b><u>£799,485</u></b>

The notes form part of these financial statements

**Glynhill Hotel Limited**

**Notes to the Cash Flow Statement**  
**for the Year Ended 4 April 2001**

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

	2001 £	2000 £
Operating profit	836,691	1,083,842
Depreciation charges	170,876	169,066
Loss on sale of fixed assets	1,367	2,975
Decrease/(Increase) in stocks	6,533	(9,488)
Decrease/(Increase) in debtors	17,305	(70,381)
(Decrease)/Increase in creditors	<u>(171,704)</u>	<u>123,322</u>
<b>Net cash inflow from operating activities</b>	<b><u>861,068</u></b>	<b><u>1,299,336</u></b>

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

	2001 £	2000 £
<b>Returns on investments and servicing of finance</b>		
Interest received	41,758	15,127
Interest paid	(1,792)	(361)
Dividends received	<u>238</u>	<u>202</u>
<b>Net cash inflow for returns on investments and servicing of finance</b>	<b><u>40,204</u></b>	<b><u>14,968</u></b>
<b>Capital expenditure</b>		
Purchase of tangible fixed assets	(95,996)	(179,393)
Sale of tangible fixed assets	<u>3,000</u>	<u>200</u>
<b>Net cash outflow for capital expenditure</b>	<b><u>(92,996)</u></b>	<b><u>(179,193)</u></b>
<b>Financing</b>		
Movements in directors loan account	-	(379)
Issued shares bought back	<u>(39)</u>	<u>-</u>
<b>Net cash outflow from financing</b>	<b><u>(39)</u></b>	<b><u>(379)</u></b>

The notes form part of these financial statements

**Glynhill Hotel Limited**

**Notes to the Cash Flow Statement**  
**for the Year Ended 4 April 2001**

3. **ANALYSIS OF CHANGES IN NET FUNDS**

	At 5.4.00 £	Cash flow £	At 4.4.01 £
Net cash:			
Cash at bank and in hand	799,485	278,483	1,077,968
	<u>799,485</u>	<u>278,483</u>	<u>1,077,968</u>
 Total	 <u>799,485</u>	 <u>278,483</u>	 <u>1,077,968</u>
<b>Analysed in Balance Sheet</b>			
 Cash at bank and in hand	 799,485		 1,077,968
	<u>799,485</u>		<u>1,077,968</u>

The notes form part of these financial statements

**Glynhill Hotel Limited**

**Notes to the Abbreviated Financial Statements**  
**for the Year Ended 4 April 2001**

**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.

**2. STAFF COSTS**

	2001	2000
	£	£
Wages and salaries	1,410,397	1,442,393
Social security costs	106,666	97,992
Other pension costs	78,389	93,268
	<hr/>	<hr/>
	1,595,452	1,633,653
	<hr/>	<hr/>

**Glynhill Hotel Limited**

**Notes to the Abbreviated Financial Statements**  
**for the Year Ended 4 April 2001**

**2. STAFF COSTS - continued**

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

	2001	2000
Directors	6	6
Administration	26	22
Others	158	176
	<u>190</u>	<u>204</u>

**3. OPERATING PROFIT**

The operating profit is stated after charging:

	2001 £	2000 £
Depreciation - owned assets	170,876	169,066
Loss on disposal of fixed assets	1,367	2,975
Auditors' remuneration	4,500	4,500
	<u>164,993</u>	<u>143,544</u>

**4. INTEREST PAYABLE AND SIMILAR CHARGES**

	2001 £	2000 £
Bank interest	1,680	293
Corporation Tax interest	112	68
	<u>1,792</u>	<u>361</u>

**5. TAXATION**

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

	2001 £	2000 £
UK corporation tax	235,580	303,425
(Over) / under provision in prior year	(3,713)	-
Tax on Franked Investment Income	40	(24)
Deferred taxation	16,222	22,581
	<u>248,129</u>	<u>325,982</u>

UK corporation tax has been charged at 30% (2000 - 30%).

**6. DIVIDENDS**

	2001 £	2000 £
Equity shares:		
Final - ordinary shares	<u>230,000</u>	<u>230,002</u>

**Glynhill Hotel Limited**

**Notes to the Abbreviated Financial Statements  
for the Year Ended 4 April 2001**

**7. TANGIBLE FIXED ASSETS**

	<u>Land &amp; buildings</u>	<u>Leisure complex plant</u>	<u>Heating installation</u>	<u>Electrical installation</u>
	£	£	£	£
<b>COST:</b>				
At 5 April 2000	3,426,034	428,656	308,845	267,532
Additions	(1,871)	22,098	-	-
At 4 April 2001	<u>3,424,163</u>	<u>450,754</u>	<u>308,845</u>	<u>267,532</u>
<b>DEPRECIATION:</b>				
At 5 April 2000	721,655	292,916	201,012	196,451
Charge for year	68,485	15,792	10,776	7,104
At 4 April 2001	<u>790,140</u>	<u>308,708</u>	<u>211,788</u>	<u>203,555</u>
<b>NET BOOK VALUE:</b>				
At 4 April 2001	<u>2,634,023</u>	<u>142,046</u>	<u>97,057</u>	<u>63,977</u>
At 4 April 2000	<u>2,704,379</u>	<u>135,740</u>	<u>107,833</u>	<u>71,081</u>

	<u>Plant &amp; fittings</u>	<u>Furnishings</u>	<u>Motor vehicles</u>	<u>Crockery, glassware, linen</u>	<u>Totals</u>
	£	£	£	£	£
<b>COST:</b>					
At 5 April 2000	952,140	590,996	78,907	12,173	6,065,283
Additions	23,192	20,699	31,878	-	95,996
Disposals	-	-	(16,350)	-	(16,350)
At 4 April 2001	<u>975,332</u>	<u>611,695</u>	<u>94,435</u>	<u>12,173</u>	<u>6,144,929</u>
<b>DEPRECIATION:</b>					
At 5 April 2000	616,485	410,846	46,668	-	2,486,033
Charge for year	35,916	20,064	12,739	-	170,876
Eliminated on disposals	-	-	(11,983)	-	(11,983)
At 4 April 2001	<u>652,401</u>	<u>430,910</u>	<u>47,424</u>	<u>-</u>	<u>2,644,926</u>
<b>NET BOOK VALUE:</b>					
At 4 April 2001	<u>322,931</u>	<u>180,785</u>	<u>47,011</u>	<u>12,173</u>	<u>3,500,003</u>
At 4 April 2000	<u>335,656</u>	<u>180,151</u>	<u>32,239</u>	<u>12,173</u>	<u>3,579,252</u>

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

**Glynhill Hotel Limited**

**Notes to the Abbreviated Financial Statements**  
**for the Year Ended 4 April 2001**

**8. FIXED ASSET INVESTMENTS**

	£	
<b>COST:</b>		
At 5 April 2000		
and 4 April 2001		1,856
		<hr/>
<b>NET BOOK VALUE:</b>		
At 4 April 2001		1,856
		<hr/>
At 4 April 2000		1,856
		<hr/>
	2001	2000
	£	£
Investments listed on recognised stock exchange	1,856	1,856
	<hr/>	<hr/>

Market value of listed investments at 4 April 2001 - £6,648 (2000 - £6,289).

**9. STOCKS**

	2001	2000
	£	£
Goods for resale	60,796	67,329
	<hr/>	<hr/>

**10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2001	2000
	£	£
Trade debtors	186,372	210,797
Other debtors	-	200
Prepayments	17,037	9,716
	<hr/>	<hr/>
	203,409	220,713
	<hr/>	<hr/>

**11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2001	2000
	£	£
Trade creditors	155,109	148,175
Directors current accounts	3,035	3,035
Leisure complex subscriptions prepaid	24,505	16,512
Other creditors	964	-
Deposits	45,424	74,532
Dividend proposed	230,000	230,002
V.A.T.	125,092	155,035
Social security & other taxes	55,607	27,421
Taxation	235,580	303,425
Accrued expenses	61,955	218,685
	<hr/>	<hr/>
	937,271	1,176,822
	<hr/>	<hr/>

**Glynhill Hotel Limited**

**Notes to the Abbreviated Financial Statements**  
**for the Year Ended 4 April 2001**

**12. 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.

**13. PROVISIONS FOR LIABILITIES AND CHARGES**

	2001 £	2000 £
Deferred taxation	494,959	478,737
	<hr/>	<hr/>
	Deferred taxation £	
Balance at 5 April 2000	478,737	
Change in provision	16,222	
	<hr/>	
Balance at 4 April 2001	494,959	
	<hr/>	

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	
	2001 £	2000 £	2001 £	2000 £
Deferred taxation	494,959	478,737	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

**14. CALLED UP SHARE CAPITAL**

Authorised:				
Number:	Class:	Nominal value:	2001 £	2000 £
1,000,000	Ordinary Shares	£1	1,000,000	1,000,000
			<hr/>	<hr/>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2001 £	2000 £
115,000	Ordinary Shares	£1	115,000	115,001
(2000 - 115,001)			<hr/>	<hr/>

The company bought back one £1 ordinary shares during the course of the year at a cost of £40.

**15. 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 £78,389 in the current year (2000 - £93,268).

Accrued pension contributions amount to £30,000 at the year end (2000 - £45,932).



**Glynhill Hotel Limited**

**Notes to the Abbreviated Financial Statements**  
**for the Year Ended 4 April 2001**

**16. CAPITAL COMMITMENTS**

The Board of Directors have authorised a rolling programme of maintenance, with the annual spend in the current financial year is anticipated to be approximately £100,000.

**17. RELATED PARTY DISCLOSURES**

During the course of the year under review, the company made related party sales totalling £6,708 (2000 - £6,121) to Carnegie's Limited, a company with a director common to the company, namely Mr. A.H. Nicholas. At the year end, amounts totalling £600 remained outstanding (2000 - £801). All sales were in the normal course of business and did not include any discount.

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

	2001 £	2000 £
Profit for the financial year	628,766	772,828
Dividends	(230,000)	(230,002)
	<hr/>	<hr/>
	398,766	542,826
Par value of shares bought back	(1)	-
Premium paid on shares bought back	(39)	-
	<hr/>	<hr/>
<b>Net addition to shareholders' funds</b>	398,726	542,826
Opening shareholders' funds	3,013,076	2,470,250
	<hr/>	<hr/>
<b>Closing shareholders' funds</b>	3,411,802	3,013,076
	<hr/>	<hr/>
Equity interests	3,411,802	3,013,076
	<hr/>	<hr/>