



ARTHURANDERSEN

**Bolton Whites Hotel Limited**

Annual report and accounts  
for the year ended 30 June 2000

Registered number: 03674979



## **Directors' report**

For the year ended 30 June 2000

The directors present their annual report on the affairs of the company, together with the accounts and auditors' report, for the year ended 30 June 2000.

### **Directors' responsibilities**

Company law requires the directors to prepare accounts for each financial period 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 accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- 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 proper accounting records which 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 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.

### **Principal activities**

The principal activities of the company during the year comprised of the construction of hotel accommodation, conference and leisure facilities and providing matchday hospitality for Bolton Wanderers Football Club. Revenue has been generated by the provision of these facilities.

The De Vere Whites Hotel opened subsequent to the year end on 30 October 2000.

### **Business review**

The directors expect the general level of activity to increase on commencement of trade from the hotel.

### **Results and dividends**

The audited accounts for the year ended 30 June 2000 are set out on pages 4 to 12. The loss for the year was £95,603 (1999 - £nil).

No dividend can be paid.

## Directors' report (continued)

### Called-up share capital

During the year the company allotted 187,500 0.01% preference shares with a nominal value of £187,500 at par.

### Directors

The directors who served during the year were as follows:

G. Ball	(resigned 29 June 2000)
M. Chilton	(resigned 11 January 2000)
P.D. Clayton	(resigned 29 June 2000)
P.B. Dermody	
A. Duckworth	
L. Entwistle	(appointed 29 June 2000)
P.A. Gartside	(appointed 29 June 2000)
G. Hargreaves	(resigned 29 June 2000)
B. Sowcroft	(resigned 29 June 2000)
R.G. Stubbs	
D. Walker	(appointed 29 June 2000)
N.G. Ward	(appointed 11 January 2000 and resigned 29 June 2000)

Mr P.A. Gartside and A. Duckworth are directors of the ultimate parent company and their interests are disclosed in the accounts of that company.

The directors do not have any other interests required to be disclosed under Schedule 7 of the Companies Act 1985.

### Auditors

The directors will place a resolution before the annual general meeting to reappoint Arthur Andersen as auditors for the ensuing year.

Reebok Stadium  
Burnden Way  
Lostock  
Bolton  
BL6 6JW

By order of the Board,



L. Entwistle  
Company secretary

6 November 2000

**To the Shareholders of Bolton Whites Hotel Limited**

We have audited the accounts on pages 4 to 12 which have been prepared under the historical cost convention and the accounting policies set out on pages 6 and 7.

**Respective responsibilities of directors and auditors**

As described on page 1 the company's directors are responsible for the preparation of the accounts in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

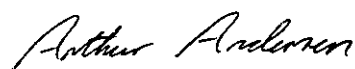
**Basis of opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the accounts and of whether the accounting policies are appropriate to the circumstances of the company, 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 accounts 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 accounts.

**Opinion**

In our opinion the accounts give a true and fair view of the state of affairs of the company at 30 June 2000 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**Arthur Andersen**  
**Chartered Accountants and Registered Auditors**

Bank House  
9 Charlotte Street  
Manchester  
M1 4EU

6 November 2000

## Profit and loss account

For the year ended 30 June 2000

	Notes	2000 £	1999 £
Turnover	2	2,173,884	-
Cost of sales		(594,579)	-
<b>Gross profit</b>		<b>1,579,305</b>	<b>-</b>
Other operating expenses (net)		(1,674,908)	-
<b>Operating loss</b>	3	<b>(95,603)</b>	<b>-</b>
Interest payable and similar charges	5	-	-
<b>Loss before tax</b>		<b>(95,603)</b>	<b>-</b>
Tax on loss on ordinary activities	6	-	-
<b>Loss for the financial year</b>		<b>(95,603)</b>	<b>-</b>

All activity has arisen from continuing operations.

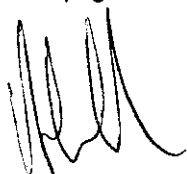
There are no recognised gains or losses other than the loss for the financial year.

The accompanying notes are an integral part of this profit and loss account.

Balance sheet  
30 June 2000

	Notes	2000 £	1999 £
<b>Fixed assets</b>			
Tangible assets	7	<u>8,676,860</u>	<u>1,125,365</u>
<b>Current assets</b>			
Stocks	8	40,582	-
Debtors	9	512,895	935,778
Cash at bank and in hand		<u>198,195</u>	<u>-</u>
		751,672	935,778
<b>Creditors: Amounts falling due within one year</b>	10	<u>(275,813)</u>	<u>(561,143)</u>
<b>Net current assets</b>		475,859	374,635
<b>Total assets less current liabilities</b>		9,152,719	1,500,000
<b>Creditors: Amounts falling due after more than one year</b>	11	<u>(7,560,822)</u>	<u>-</u>
<b>Net assets</b>		<u>1,591,897</u>	<u>1,500,000</u>
<b>Capital and reserves</b>			
Called-up share capital	13	1,687,500	1,500,000
Profit and loss account	14	<u>(95,603)</u>	<u>-</u>
<b>Shareholders' funds</b>		<u>1,591,897</u>	<u>1,500,000</u>
<b>Shareholders' funds may be analysed as:</b>			
Equity interests		841,897	937,500
Non-equity interests		<u>750,000</u>	<u>562,500</u>
		<u>1,591,897</u>	<u>1,500,000</u>

The accounts on pages 4 to 12 were approved by the board of directors on 6 November and signed on its behalf by:



A. Duckworth  
Director

6 November 2000

The accompanying notes are an integral part of this balance sheet.

## Notes to accounts

30 June 2000

### 1 Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding period.

#### *a) Basis of accounting*

The accounts have been prepared under the historical cost convention. Assets and liabilities are recognised in the accounts where, as a result of past transactions or events, the company has rights or other access to future economic benefits controlled by the company, or obligations to transfer economic benefits. The accounts have been prepared in accordance with applicable accounting standards.

#### *b) Tangible fixed assets*

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than payments on account and assets in the course of construction, at rates calculated to write off the cost or valuation, less estimate residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Kitchen equipment	-	seven years
Computer equipment	-	four years

Residual value is calculated on prices prevailing at the date of acquisition.

Assets in the course of construction are stated at cost.

Interest costs incurred in bringing assets to a state where they are ready to be used are capitalised as part of the costs of the asset.

#### *c) Cash flow statement*

No cash flow statement has been produced as the accounts for Burnden Leisure plc, the ultimate parent company, include a consolidated cash flow statement in accordance with FRS 1 (Revised) Cash Flow Statements.

#### *d) Going concern*

The accounts have been prepared on the going concern basis as the company's ultimate parent company has undertaken to provide sufficient financial support for at least the period of one year from the date on which these accounts have been prepared.

## Notes to accounts (continued)

### 1 Accounting policies (continued)

#### e) *Stocks*

Stocks are stated at the lower of cost and net realisable value. Provision is made for out of date or defective items where appropriate.

#### f) *Finance costs*

Finance costs of debt is recognised in the profit and loss account over the term of such instruments at a constant rate on the carrying amount.

Finance costs which are directly attributable to the construction of tangible fixed assets are capitalised as part of the cost of those assets. The commencement of capitalisation begins when both finance costs and expenditures for the asset are being incurred and activities that are necessary to get the asset ready for use are in progress.

Capitalisation ceases when substantially all the activities that are necessary to get the asset ready for use are complete.

#### g) *Debt*

Debt is initially stated at the amount of the net proceeds after deduction of issue costs. The carrying amount is increased by the finance cost in respect of the accounting period and reduced by payments made in the period.

#### h) *Taxation*

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

Deferred tax is provided using the liability method on all timing differences only to the extent that they are expected to reverse in the future without being replaced.

#### i) *Foreign currency*

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. All exchange differences are included in the profit and loss account.

#### j) *Turnover*

Turnover comprises the value of sales of goods and services in the normal course of business exclusive of value added tax, trade discounts and other sales related taxes.

### 2 Segment information

Turnover arose entirely from the provision of catering services in the United Kingdom.



## Notes to accounts (continued)

### 3 Operating loss on ordinary activities before taxation

Operating loss on ordinary activities before taxation is stated after charging:

	2000
	£
Depreciation and amounts written off tangible fixed assets	92,627
Auditors' remuneration for audit services	1,800
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### 4 Staff costs

Staff are employed by De Vere Hotels and Leisure Limited, a minority shareholder, and recharged accordingly to the company.

The directors received no remuneration for their services during the year.

### 5 Interest payable and similar charges

	2000
	£
Bank loans and overdrafts	248,019
Finance costs capitalised	(248,019)
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	-
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### 6 Tax on loss on ordinary activities

No current tax charge for the year because of the availability of tax losses in the Burnden Leisure group. The Burnden Leisure group does not intend to charge Bolton Whites Hotel Limited for this group relief.

## Notes to accounts (continued)

### 7 Tangible fixed assets

	Kitchen equipment £	Computer equipment £	Payments on account and assets in course of construction £	Total £
<b>Cost</b>				
Beginning of year	-	-	1,125,365	1,125,365
Additions	750,000	9,799	6,884,323	7,644,122
End of year	<u>750,000</u>	<u>9,799</u>	<u>8,009,688</u>	<u>8,769,487</u>
<b>Depreciation</b>				
Charge	92,627	-	-	92,627
End of year	<u>92,627</u>	<u>-</u>	<u>-</u>	<u>92,627</u>
<b>Net book value</b>				
Beginning of year	-	-	1,125,365	1,125,365
End of year	<u>657,373</u>	<u>9,799</u>	<u>8,009,688</u>	<u>8,676,860</u>

Cumulative interest capitalised included in the cost of tangible fixed assets amounts to £248,019 (1999 - £nil). Assets are not depreciated until the assets have been brought into use.

### 8 Stocks

	2000 £	1999 £
Raw materials and consumables	<u>40,582</u>	<u>-</u>

### 9 Debtors

	2000 £	1999 £
Amounts falling due within one year:		
Trade debtors	151,285	185,778
Amounts owed by group undertakings	224,869	750,000
VAT	97,485	-
Other debtors	38,106	-
Prepayments and accrued income	1,150	-
	<u>512,895</u>	<u>935,778</u>

## Notes to accounts (continued)

### 10 Creditors: Amounts falling due within one year

	2000 £	1999 £
Bank loans and overdrafts	-	22,500
Trade creditors	-	538,643
Amounts owed to group undertakings	133,268	-
Other creditors	33,879	-
Accruals and deferred income	108,666	-
	<u>275,813</u>	<u>561,143</u>

The company has granted a fixed and floating charge on its assets to secure bank overdrafts of £Nil (1999 - 22,500).

### 11 Creditors: Amounts falling due after more than one year

	2000 £	1999 £
Bank loans	<u>7,560,822</u>	<u>-</u>
	<u>7,560,822</u>	<u>-</u>

Borrowings are repayable as follows:

	2000 £	1999 £
Bank loans		
Between one and two years	770,000	-
Between two and five years	3,850,000	-
After five years	<u>2,940,822</u>	<u>-</u>
	<u>7,560,822</u>	<u>-</u>

The bank loans are secured on the company's assets.

### 12 Provisions for liabilities and charges

Deferred taxation provided and not provided is as follows:

	Provided		Not provided	
	2000 £	1999 £	2000 £	1999 £
Accelerated capital allowances	<u>-</u>	<u>-</u>	<u>(65,000)</u>	<u>-</u>

## Notes to accounts (continued)

### 13 Called-up share capital

	2000 £	1999 £
<i>Authorised</i>		
4,000,000 ordinary shares of £1 each	4,000,000	4,000,000
1,000,000 0.01% redeemable preference shares of £1 each	1,000,000	1,000,000
	<u>5,000,000</u>	<u>5,000,000</u>
<i>Allotted, called-up and fully-paid</i>		
937,500 ordinary shares of £1 each	937,500	937,500
750,000 0.01% redeemable preference shares of £1 each	750,000	562,500
	<u>1,687,500</u>	<u>1,500,000</u>

Non-equity shareholders' funds relate entirely to the 0.01% redeemable preference shares and are held by De Vere Hotels Limited and Leisure Limited (formerly Greenalls Hotels and Leisure Limited), who own 20% of the company's ordinary share capital. These shares carry entitlement to a fixed rate dividend and may be redeemed at any time in the future.

During the year the company allotted 187,500 preference shares with a nominal value of £187,500 at par.

### 14 Reserves

	Profit and loss account £
Beginning of year	-
Loss for the financial year	(95,603)
End of year	<u>(95,603)</u>

### 15 Reconciliation movement in shareholders' funds

	2000 £
Loss for the financial year	(95,603)
New shares issued	187,500
Net addition to shareholders' funds	91,897
Opening shareholders' funds	1,500,000
Closing shareholders' funds	<u>1,591,897</u>

## Notes to accounts (continued)

### **16 Related party transactions**

As a subsidiary undertaking of Burnden Leisure plc, the company has taken advantage of the exemption in FRS 8 "Related party disclosures" from disclosing transactions with other members of the group headed by Burnden Leisure plc.

#### *Directors transactions*

William Hargreaves Limited (WHL), a wholly owned subsidiary of William Hargreaves (Holdings) Limited, a company in which G. Hargreaves was the majority shareholder until 18 August 1999, has a guaranteed maximum price construction contract with the company of £9.3 million to construct Bolton Whites Hotel at the Reebok Stadium, Bolton, subject to variations agreed by or on behalf of Bolton Whites Hotel Limited.

### **17 Ultimate controlling party**

The directors regard Burnden Leisure plc, a company incorporated in England and Wales, as the ultimate parent company and the ultimate controlling party.

Burnden Leisure plc is the parent company of the largest and smallest group of which the company is a member and for which group accounts are drawn up. Copies of the accounts are available from Burnden Leisure plc, Reebok Stadium, Burnden Way, Lostock, Bolton, BL6 6JW.