

Company Registration No 04483381 (England and Wales)

WYKEHAM INNS LIMITED
DIRECTOR'S REPORT AND FINANCIAL
STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2006

MONDAY



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WYKEHAM INNS LIMITED

COMPANY INFORMATION

Director	J Steven
Secretary	S Leigh
Company number	04483381
Registered office	Sherwell House 30 North Hill Plymouth PL4 8ET
Auditors	Riley 51 North Hill Plymouth PL4 8HZ
Business address	Sherwell House 30 North Hill Plymouth PL4 8ET
Bankers	Lloyds TSB Bank Plc 8 Royal Parade Plymouth PL1 1HB

WYKEHAM INNS LIMITED

CONTENTS

	Page
Chairman's statement	1
Directors' report	2
Independent auditors' report	3 - 4
Profit and loss account	5
Statement of total recognised gains and losses	6
Balance sheet	7
Notes to the financial statements	8 - 13

WYKEHAM INNS LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2006

The director presents his report and financial statements for the year ended 31 March 2006

Principal activities

The principal activity of the company is the operating of restaurants and public houses

Directors

The following directors have held office since 1 April 2005

J Steven

C Gurney

(Resigned 3 February 2006)

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Riley be reappointed as auditors of the company will be put to the Annual General Meeting

Director's responsibilities

The director is responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Company law requires the director 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 director is 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 director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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

Statement of disclosure to auditors

So far as the director is aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the director has taken all the necessary steps that he ought to have taken as director in order to make himself aware of all relevant audit information and to establish that the company's auditors are aware of that information

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

On behalf of the board



J Steven

Director

27 March 2008

WYKEHAM INNS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF WYKEHAM INNS LIMITED

We have audited the financial statements of Wykeham Inns Limited for the year ended 31 March 2006 which comprise of the Profit and Loss account, the Statement of Total recognised Gains and Losses, the Balance Sheet and the related notes. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005), under the historical cost convention (as modified by the revaluation of certain fixed assets) and 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 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 the director and auditors

As described in the statement of Directors' Responsibilities on page 1 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records or 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 transactions with the company 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. 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 director 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. However, the evidence available to us to confirm the appropriateness of preparing the financial statements on the going concern basis was limited because the company has not prepared profit or cash flow projections for an appropriate period subsequent to the balance sheet date. As a result, and in the absence of any alternative evidence available to us, we have been unable to form a view as to the applicability of the going concern basis, the circumstances of which, together with the effect on the financial statements should this basis be inappropriate, are set out in note 1.1 to the financial statements.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

WYKEHAM INNS LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE SHAREHOLDERS OF WYKEHAM INNS LIMITED

Opinion

Because of the possible effect of the limitation in evidence available to us solely in relation to the going concern basis of preparation, we are unable to form an opinion as to whether the financial statements

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 March 2006 and of its profit for the year then ended,
- have been properly prepared in accordance with the Companies Act 1985, and
- In respect solely of the limitation of our work referred to above we have not obtained all the information and explanations that we considered necessary for the purpose of our audit

Notwithstanding our disclaimer on the view given by the financial statements, in our opinion the information given in the Director's report is consistent with the financial statements

Riley



27 March 2008

Chartered Accountants
Registered Auditor

51 North Hill
Plymouth
PL4 8HZ

WYKEHAM INNS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2006

	Notes	2006 £	2005 £
Turnover		927,860	253,300
Cost of sales		(378,467)	(115,634)
Gross profit		549,393	137,666
Administrative expenses		(1,025,155)	(220,032)
Operating loss	2	(475,762)	(82,366)
Exceptional item	2	700,000	-
Profit/(loss) on ordinary activities before interest		224,238	(82,366)
Other interest receivable and similar income	3	447	235
Interest payable and similar charges		(39,467)	(49)
Profit/(loss) on ordinary activities before taxation		185,218	(82,180)
Tax on profit/(loss) on ordinary activities	4	-	-
Profit/(loss) for the year		185,218	(82,180)

WYKEHAM INNS LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 MARCH 2006

	Notes	2006 £	2005 £
Profit/(loss) for the financial year		185,218	(82,180)
Unrealised surplus on revaluation of properties		590,289	100,000
Total recognised gains and losses relating to the year		<u>775,507</u>	<u>17,820</u>

WYKEHAM INNS LIMITED

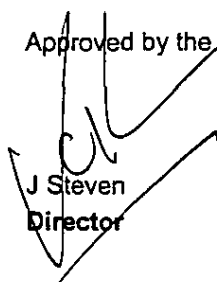
BALANCE SHEET

AS AT 31 MARCH 2006

	Notes	2006 £	£	2005 £	£
Fixed assets					
Intangible assets	5	32,000		-	
Tangible assets	6	3,830,227		334,665	
		<u>3,862,227</u>		<u>334,665</u>	
Current assets					
Stocks		34,069		9,258	
Debtors	7	23,553		966	
Cash at bank and in hand		51,483		900	
		<u>109,105</u>		<u>11,124</u>	
Creditors' amounts falling due within one year	8	<u>(1,251,871)</u>		<u>(152,968)</u>	
Net current liabilities		<u>(1,142,766)</u>		<u>(141,844)</u>	
Total assets less current liabilities		2,719,461		192,821	
Creditors: amounts falling due after more than one year	9	<u>(1,751,133)</u>		<u>-</u>	
		<u>968,328</u>		<u>192,821</u>	
Capital and reserves					
Called up share capital	10	1		1	
Revaluation reserve	11	849,315		275,000	
Profit and loss account	11	119,012		(82,180)	
Shareholders' funds		<u>968,328</u>		<u>192,821</u>	

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005)

Approved by the Board for issue on 27 March 2008


J Steven
Director

WYKEHAM INNS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

The company meets its day to day working capital requirements through an overdraft facility which is repayable on demand

The director has prepared projected cash flow information for the period ending 9 months from the date of their approval of these financial statements. On the basis of this cash flow information and discussions with the company's bankers, the director considers that the company will continue to operate within the facility currently agreed.

However, the margin of facilities over requirements is not large and, inherently there can be no certainty in relation to these matters. On this basis, the director considers it appropriate to prepare the financial statements on the going concern basis. The financial statements do not include any adjustments that would result from a withdrawal of the overdraft facility by the company's bankers.

1.2 Revenue

Revenue - described as turnover - is the value of goods (net of VAT) provided to customers during the year, plus the value of work (net of VAT) performed during the year with respect to services.

1.3 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Freehold buildings	2% straight line
Leasehold buildings	2% straight line
Fixtures, fittings & equipment	15% reducing balance

The part of the annual depreciation charge on revalued assets which relates to the revaluation surplus is transferred from the revaluation reserve to the profit and loss account.

1.5 Stock

Stock is valued at the lower of cost and net realisable value.

1.6 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

WYKEHAM INNS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2006

2	Operating loss	2006 £	2005 £
	Operating loss is stated after charging		
	Amortisation of intangible assets	8,000	-
	Depreciation of tangible assets	97,522	9,604
	Auditors' remuneration	3,100	2,450

The exceptional item relates to the acquisition of the new property, St Elizabeth House, from Wykeham Homes (Plympton) Limited. Wykeham Homes (Plympton) Limited has agreed to waive the remaining balance on the cost of the property.

3	Investment income	2006 £	2005 £
	Bank interest	447	235

4 Taxation

On the basis of these financial statements no provision has been made for corporation tax.

5 Intangible fixed assets

	Goodwill £
Cost	
At 1 April 2005	-
Additions	40,000
At 31 March 2006	40,000
Amortisation	
At 1 April 2005	-
Charge for the year	8,000
At 31 March 2006	8,000
Net book value	
At 31 March 2006	32,000
At 31 March 2005	-

WYKEHAM INNS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2006

6 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost or valuation			
At 1 April 2005	280,233	64,036	344,269
Additions	2,652,113	350,682	3,002,795
Revaluation	590,289	-	590,289
	<u> </u>	<u> </u>	<u> </u>
At 31 March 2006	3,522,635	414,718	3,937,353
	<u> </u>	<u> </u>	<u> </u>
Depreciation			
At 1 April 2005	-	9,604	9,604
Charge for the year	37,130	60,392	97,522
	<u> </u>	<u> </u>	<u> </u>
At 31 March 2006	37,130	69,996	107,126
	<u> </u>	<u> </u>	<u> </u>
Net book value			
At 31 March 2006	3,485,505	344,722	3,830,227
	<u> </u>	<u> </u>	<u> </u>
At 31 March 2005	280,233	54,432	334,665
	<u> </u>	<u> </u>	<u> </u>

Comparable historical cost for the land and buildings included at valuation

	£
Cost	
At 1 April 2005	-
Additions	2,641,818
	<u> </u>
At 31 March 2006	2,641,818
	<u> </u>
Depreciation based on cost	
At 1 April 2005	-
Charge for the year	21,157
	<u> </u>
At 31 March 2006	21,157
	<u> </u>
Net book value	
At 31 March 2006	2,620,661
	<u> </u>
At 31 March 2005	-
	<u> </u>

WYKEHAM INNS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2006

6 Tangible fixed assets

(continued)

The net book value of other tangible fixed assets includes £54,256 (2005 - £-) in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £9,574 (2005 - £-) for the year.

The properties were revalued in September 2005 by Vickery Holman.

7 Debtors	2006 £	2005 £
Trade debtors	3,649	621
Other debtors	19,904	345
	<u>23,553</u>	<u>966</u>

8 Creditors' amounts falling due within one year

2006
£

2005
£

Bank loans and overdrafts	80,713	22,525
Net obligations under hire purchase contracts	18,836	-
Trade creditors	486,195	30,692
Amounts owed to group undertakings and undertakings in which the company has a participating interest	595,837	76,762
Taxation and social security	35,298	14,456
Other creditors	34,992	8,533
	<u>1,251,871</u>	<u>152,968</u>

Bank loans and overdrafts are secured.

WYKEHAM INNS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2006

9 Creditors, amounts falling due after more than one year	2006	2005
	£	£
Bank loans	1,710,848	-
Net obligations under hire purchase contracts	40,285	-
	<u>1,751,133</u>	<u>-</u>
Analysis of loans		
Not wholly repayable within five years by instalments	1,724,140	-
Included in current liabilities	(13,292)	-
	<u>1,710,848</u>	<u>-</u>
Instalments not due within five years	<u>1,184,854</u>	<u>-</u>
10 Share capital	2006	2005
	£	£
Authorised		
1,000 Ordinary shares of £1 each	1,000	1,000
Allotted, called up and fully paid		
1 Ordinary shares of £1 each	<u>1</u>	<u>1</u>
11 Statement of movements on reserves	Revaluation reserve	Profit and loss
	£	account £
Balance at 1 April 2005	275,000	(82,180)
Profit for the year	-	185,218
Transfer from revaluation reserve to profit and loss account	(15,974)	15,974
Revaluation during the year	590,289	-
Balance at 31 March 2006	<u>849,315</u>	<u>119,012</u>

WYKEHAM INNS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2006

12 Financial commitments

At 31 March 2006 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2007

	2006 £	2005 £
Operating leases which expire in over five years	101,627	36,000

13 Control

The company is controlled by J Steven, director

The ultimate controlling company is Wykeham Group limited, which is incorporated and registered in England and Wales

14 Related party transactions

During the period the company was charged £76,563 (2005 - £24,820) for rent and other expenses by Wykeham Land Limited, £317,393 (2005 - £nil) by Soundbuild Limited, fellow subsidiary undertakings. The company was also charged £5,835 of expenses (2005 - £nil) by Wykeham Group Limited, parent company. The net financing transactions between the company and other group companies amounted to £1,043,537. The company wrote back £700,000 of liability owed to Wykeham Homes (Plympton) Limited, a fellow subsidiary undertaking.

At the end of the period the company owed Wykeham Land Limited £380,188 (2005 - £7,050), Wykeham Alto Limited £50,000 (2005 - nil), Sound Build Limited £146,109 (2005 - nil), and Wykeham Group Limited £19,540 (2005 - 1,056).