

Company Registration No. 00043303 (England and Wales)

BEALE'S LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2005

BEALE'S LIMITED

COMPANY INFORMATION

Directors	P T Smale (Chairman) A E Beale A P King R G V Bridge
Secretary	M G Pettit (Taylor Walton)
Company number	00043303
Registered office	West Lodge Park Cockfosters Road Hadley Wood Hertfordshire EN4 0PY
Auditors	Hillier Hopkins LLP Charter Court, Midland Road Hemel Hempstead Hertfordshire, HP2 5GE
Solicitors	Taylor Walton 36 - 44 Alma Street Luton Bedfordshire LU1 2PL

BEALE'S LIMITED

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BEALE'S LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2005

CHAIRMAN'S STATEMENT 2004/2005

This year was most notable for the opening of our new hotel - Beales Hotel, Hatfield. After nearly 10 months of building work, a modern, stylish 4 star hotel replaced the old Hatfield Lodge, with more rooms and very much better conference and public facilities. Without doubt it is one of the finest hotels in that part of the country. I would like to thank Andrew Beale, Tony King, Julie Kent and the Hatfield team for their tremendous efforts to achieve a successful opening. There have been some outstanding trading weeks and some quieter ones, illustrating just how difficult it is to build business after a prolonged closure.

West Lodge Park continued to do well in a difficult trading environment. Sales were slightly ahead of budget (although lower than last year) and through tight control the team achieved net profits well ahead of budget and last year. Buckingham Beales Hotel also experienced tough market conditions, but their team was able to increase sales and net profits substantially over the last year. Our total sales were £5,450,970 and trading losses before taxation were £83,875. By the time that account is taken of all of the depreciation, expenditure on Hatfield and dividend, the retained losses were £260,655.

Whilst this is a major departure from the trading position in recent years, we believe it was right to improve the specification of Beales Hatfield. The building costs increased and the shortage of the skilled trades involved in its construction meant that the packages of work put out to tender were more expensive than they had been estimated. The overall cost was some £2 million more than we had originally projected and the slight delay in opening had an impact on revenues. Following prolonged negotiations with the bank a new loan was agreed and put in place after the end of this financial year. Around £500,000 of the additional cost was found from our own funds, but it meant that we had to ask shareholders to wait for the payment of their dividend and directors postponed the drawing of salaries. We regret having had to take those steps and we intend to pay both this year's and last year's dividends on 30th September.

Cash and cost controls will continue to be very tight in 2005/06 as the repayments on our combined loan of £7 million pounds will impact on cash flow. Half of the loan has been "hedged" against possible rises in interest rates. We have been redecorating rooms and public areas to maintain the condition of the hotels as much as is possible, but there are no funds for major refurbishments or new initiatives in the near future. Although the loan is very large this is well within prudent limits for a company such as ours, in the context of the assets of the business that the directors believe to be worth over £14.25 million, on the basis of professional advice.

Our key financial statistics were as follows:

	2004/05	2003/04	% Change
Room Occupancy %	63.0	58.7	7.3
Average Room Rate £	59.69	59.69	-
Revenue/Available Room £	37.59	35.07	7.2

I am pleased to inform you that the Directors feel able to recommend a dividend of 88p per share, in spite of the overall trading position in the year.

Grevile Bridge has made a huge contribution to the success of Beales over some 17 years, as Finance Director, Managing Director, Chairman and, more recently, as a Non-Executive Director. Grevile has informed us that he will be moving to South West France and wishes to stand down from his position at the end of 2005. On behalf of shareholders, Board and Beales staff, I would like to thank him and wish him and Lesley every happiness in the future.

Peter Smale
Chairman

BEALE'S LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

The directors present their report and financial statements for the year ended 31 March 2005.

Principal activities and review of the business

The company's principal activity is that of hoteliers and caterers.

A review of the operations is given in the chairman's statement.

Results and dividends

The results for the year are set out on page 5.

The directors recommend payment of an ordinary dividend amounting to £52,800.

The loss before taxation for the year amounted to £83,875 which, after deducting the tax charge of £129,777 and the deferred tax credit of £5,797 leaves a loss before dividends of £207,855.

Directors

The following directors have held office since 1 April 2004:

P T Smale (Chairman)

A E Beale

A P King

R G V Bridge

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	31 March 2005	1 April 2004
P T Smale (Chairman)	-	-
A E Beale	10,450	10,450
A P King	-	-
R G V Bridge	-	-

Auditors

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

BEALE'S LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

On behalf of the board

P T Smale (Chairman)

Director

7 July 2005

BEALE'S LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BEALE'S LIMITED

We have audited the financial statements of Beale's Limited on pages 5 to 19 for the year ended 31 March 2005. These financial statements have been prepared under the historical cost convention 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 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 the directors and auditors

As described in the statement of directors' responsibilities on page 3 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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, 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 United Kingdom 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 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2005 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Hillier Hopkins LLP
Chartered Accountants
Registered Auditor

29 July 2005
Charter Court, Midland Road
Hemel Hempstead
Hertfordshire, HP2 5GE

BEALE'S LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2005

	Notes	2005 £	2004 £
Turnover	2	5,450,970	5,375,626
Cost of sales		(2,436,088) ÄÄÄÄÄÄÄÄ	(2,383,946) ÄÄÄÄÄÄÄÄ
Gross profit		3,014,882	2,991,680
Administrative expenses		(2,673,198) ÄÄÄÄÄÄÄÄ	(2,489,710) ÄÄÄÄÄÄÄÄ
Operating profit	3	341,684	501,970
Investment income	4	47,674	-
Other interest receivable and similar income	4	1,675	30,790
Amounts written off investments	5	(47,674)	-
Interest payable and similar charges	6	(427,234) ÄÄÄÄÄÄÄÄ	(232,286) ÄÄÄÄÄÄÄÄ
(Loss)/profit on ordinary activities before taxation		(83,875)	300,474
Tax on (loss)/profit on ordinary activities	7		
Current year taxation		-	(50,652)
Prior years taxation		(129,777)	1,200
Deferred taxation		5,797 ÄÄÄÄÄÄÄÄ	(151,558) ÄÄÄÄÄÄÄÄ
		(123,980) ÄÄÄÄÄÄÄÄ	(201,010) ÄÄÄÄÄÄÄÄ
(Loss)/profit on ordinary activities after taxation		(207,855)	99,464
Dividends	8	(52,800) ÄÄÄÄÄÄÄÄ	(52,800) ÄÄÄÄÄÄÄÄ
Retained (loss)/profit for the year	18	(260,655) ÍÍÍÍÍÍÍÍ	46,664 ÍÍÍÍÍÍÍÍ

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

BEALE'S LIMITED

BALANCE SHEET AS AT 31 MARCH 2005

	Notes	2005		2004	
		£	£	£	£
Fixed assets					
Tangible assets	9	13,173,321		9,076,195	
Investments	10	40,107		87,781	
		ÄÄÄÄÄÄÄÄ		ÄÄÄÄÄÄÄÄ	
		13,213,428		9,163,976	
Current assets					
Stocks	11	32,420		18,988	
Debtors	12	244,894		158,520	
Cash at bank and in hand		2,367		560,349	
		ÄÄÄÄÄÄÄÄ		ÄÄÄÄÄÄÄÄ	
		279,681		737,857	
Creditors: amounts falling due within one year	13	(2,580,078)		(1,020,385)	
		ÄÄÄÄÄÄÄÄ		ÄÄÄÄÄÄÄÄ	
Net current liabilities		(2,300,397)		(282,528)	
		ÄÄÄÄÄÄÄÄ		ÄÄÄÄÄÄÄÄ	
Total assets less current liabilities		10,913,031		8,881,448	
Creditors: amounts falling due after more than one year	14	(6,076,297)		(3,778,262)	
Provisions for liabilities and charges	15	(459,375)		(465,172)	
		ÄÄÄÄÄÄÄÄ		ÄÄÄÄÄÄÄÄ	
		4,377,359		4,638,014	
		ÍÍÍÍÍÍÍÍ		ÍÍÍÍÍÍÍÍ	
Capital and reserves					
Called up share capital	17	60,000		60,000	
Revaluation reserve	18	-		47,674	
Profit and loss account	18	4,317,359		4,530,340	
		ÄÄÄÄÄÄÄÄ		ÄÄÄÄÄÄÄÄ	
Shareholders' funds - equity interests	19	4,377,359		4,638,014	
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The financial statements were approved by the Board on 7 July 2005

P T Smale (Chairman)
Director

A E Beale
Director

BEALE'S LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2005

	2005	2004
	£	£
Net cash inflow from operating activities	550,165	1,384,047
Returns on investments and servicing of finance		
Interest received	1,675	30,790
Interest paid	(390,061)	(232,286)
	ÄÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄÄ
Net cash outflow for returns on investments and servicing of finance	(388,386)	(201,496)
Taxation	(19,495)	(27,271)
Capital expenditure		
Payments to acquire tangible assets	(4,247,500)	(1,237,734)
Receipts from sales of tangible assets	1,000	214,611
	ÄÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄÄ
Net cash outflow for capital expenditure	(4,246,500)	(1,023,123)
Equity dividends paid	-	(48,000)
	ÄÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄÄ
Net cash (outflow)/inflow before management of liquid resources and financing	(4,104,216)	84,157
Financing		
New long term bank loan	2,288,299	3,677,257
Other new long term loans	6,025	-
Other new short term loans	426,111	-
Repayment of long term bank loan	-	(3,340,814)
Repayment of other short term loans	-	(451,951)
Capital element of hire purchase contracts	69,439	(4,277)
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Net cash inflow/(outflow) from financing	2,789,874	(119,785)
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Decrease in cash in the year	(1,314,342)	(35,628)
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BEALE'S LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2005

1	Reconciliation of operating profit to net cash inflow from operating activities	2005	2004		
		£	£		
	Operating profit	341,684	501,970		
	Depreciation of tangible assets	292,754	279,975		
	Write back of depreciation	(173,838)	-		
	Loss on disposal of tangible assets	30,458	23,695		
	(Increase)/decrease in stocks	(13,432)	12,451		
	(Increase)/decrease in debtors	(86,374)	119,638		
	Increase in creditors within one year	158,913	446,318		
		ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ		
	Net cash inflow from operating activities	550,165	1,384,047		
		ÍÍÍÍÍÍÍ	ÍÍÍÍÍÍÍ		
2	Analysis of net debt	1 April 2004	Cash flow	Other non-cash changes	31 March 2005
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	560,349	(557,982)	-	2,367
	Bank overdrafts	(28,251)	(756,360)	-	(784,611)
		ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ
		532,098	(1,314,342)	-	(782,244)
		ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ
	Bank deposits	-	-	-	-
	Debt:				
	Finance leases	(17,723)	(69,439)	-	(87,162)
	Debts falling due within one year	-	(426,111)	-	(426,111)
	Debts falling due after one year	(3,765,038)	(2,294,324)	-	(6,059,362)
		ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ
		(3,782,761)	(2,789,874)	-	(6,572,635)
		ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ
	Net debt	(3,250,663)	(4,104,216)	-	(7,354,879)
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BEALE'S LIMITED

NOTES TO THE CASH FLOW STATEMENT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

3	Reconciliation of net cash flow to movement in net debt	2005	2004
		£	£
	Decrease in cash in the year	(1,314,342)	(35,628)
	Cash (inflow)/outflow from (increase)/decrease in debt and lease financing	(2,789,874)	97,786
		ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ
	Movement in net debt in the year	(4,104,216)	62,158
	Opening net debt	(3,250,663)	(3,312,821)
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	Closing net debt	(7,354,879)	(3,250,663)
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BEALE'S LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2005

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 Tangible fixed assets and depreciation

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

Freehold buildings	Over the lower of useful economic life and 50-75 years to their estimated residual values.
Leasehold buildings	Over the period of the lease except for roof repairs which are written off over 10 years
Plant and machinery	5% to 10% on a straight line basis
Motor vehicles	25% reducing balance

1.5 Leasing

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.6 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.7 Stock

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

1.8 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with FRS 17.

1.9 Deferred taxation

Deferred tax 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.

BEALE'S LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

1 Accounting policies (continued)

1.10 Accounting date

The accounts are drawn up to the week ending nearest to 31 March in each year.

1.11 Consolidated financial statements

The company is exempt from the requirement to prepare consolidated financial statements by virtue of section 248 of the Companies Act 1985 as the group it heads qualifies as a medium sized group. These financial statements therefore present information about the company as an individual undertaking and not about its group.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating profit 2005 2004

£ £

Operating profit is stated after charging/crediting:

Depreciation of tangible assets	292,754	279,975
Write back of depreciation	(173,838)	-
Loss on disposal of tangible assets	30,458	23,695
Operating lease rentals	37,319	38,000
Auditors' remuneration	10,350	10,050
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4 Investment income 2005 2004

£ £

Income from shares in group undertakings	47,674	-
Bank interest	1,675	30,790
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	49,349	30,790
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5 Amounts written off investments 2005 2004

£ £

Amounts written off fixed asset investments	47,674	-
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6 Interest payable 2005 2004

£ £

On bank loans and overdrafts	386,464	232,286
On overdue tax	37,173	-
Other interest	3,597	-
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	427,234	232,286
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BEALE'S LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

7 Taxation	2005 £	2004 £
Domestic current year tax		
U.K. corporation tax	-	50,652
In respect of prior years (see below)	129,777	(1,200)
	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ
Current tax charge	129,777	49,452
Deferred tax		
Deferred tax charge/credit current year	(5,797)	151,558
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	123,980	201,010
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Factors affecting the tax charge for the year		
(Loss)/profit on ordinary activities before taxation	(83,875)	300,474
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(Loss)/profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00% (2004: 19.00%)	(15,936)	57,090
	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ
Effects of:		
Non deductible expenses	14,860	-
Depreciation add back	55,624	53,195
Capital allowances	(90,453)	(74,258)
Adjustments to previous periods	119,272	(1,200)
Chargeable disposals	-	10,121
Other tax adjustments	46,410	4,504
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	145,713	(7,638)
	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ
Current tax charge	129,777	49,452
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On the basis of these financial statements no provision has been made for corporation tax on the current year's results.

During the year agreement was reached with the Inspector of Taxes in respect of claims for capital allowances on the company's hotel in Buckingham. This resulted in an additional tax liability for the years 1997 to 2004 which has been provided for in these accounts.

8 Dividends	2005 £	2004 £
Ordinary final	52,800	52,800
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BEALE'S LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

9 Tangible fixed assets

	Freehold buildings £	Leasehold buildings £	Plant and machinery £	Motor vehicles £	Total £
Cost					
At 1 April 2004	6,174,743	2,304,494	3,537,478	26,645	12,043,360
Additions	2,420,676	3,400	1,823,424	-	4,247,500
Disposals	-	(1,625)	(98,386)	-	(100,011)
	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ
At 31 March 2005	8,595,419	2,306,269	5,262,516	26,645	16,190,849
	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ
Depreciation					
At 1 April 2004	160,788	305,176	2,486,224	14,977	2,967,165
Write back of depreciation	-	-	(173,838)	-	(173,838)
On disposals	-	(99)	(68,454)	-	(68,553)
Charge for the year	27,746	37,167	224,924	2,917	292,754
	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ
At 31 March 2005	188,534	342,244	2,468,856	17,894	3,017,528
	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ
Net book value					
At 31 March 2005	8,406,885	1,964,025	2,793,660	8,751	13,173,321
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At 31 March 2004	6,013,956	1,999,317	1,051,254	11,668	9,076,195
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Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant and machinery £
Net book values	
At 31 March 2005	94,922
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At 31 March 2004	20,233
	ÍÍÍÍÍÍÍ
Depreciation charge for the year	
At 31 March 2005	5,731
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At 31 March 2004	1,767
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Included in land and buildings is freehold land amounting to £1,600,000 (2004 - £1,600,000) which is not depreciated.

BEALE'S LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

10 Fixed asset investments

	Shares in subsidiary undertakings £
Cost	
At 1 April 2004	87,781
Revaluation	(47,674)
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At 31 March 2005	40,107
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Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
Beale's (Caterers) Limited	England and Wales	Ordinary	100
Buckingham Lodge Hotel Limited	England and Wales	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves 2005 £	Profit for the year 2005 £
Beale's (Caterers) Limited	87,681	-
Buckingham Lodge Hotel Limited	2,838,042	-
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Both companies are dormant.

11 Stocks	2005 £	2004 £
Bar and food stocks	32,420	18,988
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BEALE'S LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

12 Debtors	2005 £	2004 £
Trade debtors	188,119	73,718
Other debtors	1,140	9,305
Prepayments and accrued income	55,635	75,497
	ÄÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄÄ
	244,894	158,520
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13 Creditors: amounts falling due within one year	2005 £	2004 £
Bank loans and overdrafts	1,210,722	28,251
Payments received on account	68,361	76,816
Net obligations under finance leases	22,553	4,499
Trade creditors	223,123	173,004
Corporation tax	150,429	50,652
Other taxes and social security costs	141,497	41,667
Directors' current accounts	6,581	-
Accruals and deferred income	704,012	592,696
Dividend payable	52,800	52,800
	ÄÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄÄ
	2,580,078	1,020,385
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The company has given a debenture to its bankers to secure all monies and liabilities due or owing to the bank. The debenture creates a fixed charge on the freehold and leasehold properties, a fixed charge on the company's book debts and a floating charge on all other assets.

BEALE'S LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

14 Creditors: amounts falling due after more than one year	2005	2004
	£	£
Bank loans	5,965,556	3,677,257
Other loans	6,025	-
Net obligations under finance leases	64,609	13,224
Amounts owed to group undertakings	40,107	87,781
	AAAAAAAA	AAAAAAAA
	6,076,297	3,778,262
	IIIIIIII	IIIIIIII
Analysis of loans		
Not wholly repayable within five years by instalments:	4,261,111	2,696,656
Wholly repayable within five years	2,136,581	980,601
	AAAAAAAA	AAAAAAAA
	6,397,692	3,677,257
Included in current liabilities	(426,111)	-
	AAAAAAAA	AAAAAAAA
	5,971,581	3,677,257
	IIIIIIII	IIIIIIII
Instalments not due within five years	4,261,111	2,696,656
	IIIIIIII	IIIIIIII
Loan maturity analysis		
In more than one year but not more than two years	432,136	245,150
In more than two years but not more than five years	1,278,333	735,451
In more than five years	4,261,111	2,696,656
	IIIIIIII	IIIIIIII
Net obligations under finance leases		
Repayable within one year	22,553	4,499
Repayable between one and five years	64,609	13,224
	AAAAAAAA	AAAAAAAA
	87,162	17,723
Included in liabilities falling due within one year	(22,553)	(4,499)
	AAAAAAAA	AAAAAAAA
	64,609	13,224
	IIIIIIII	IIIIIIII

The loan is repayable in quarterly instalments over 15 years commencing 30 September 2005. Interest is charged at 1.75% above LIBOR on 50% of the loan. The other 50% is hedged at a rate of 5.11% plus the same margin of 1.75%.

BEALE'S LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

15 Provisions for liabilities and charges

	Deferred tax liability £
Balance at 1 April 2004	465,172
Profit and loss account	(5,797)
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Balance at 31 March 2005	459,375
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The deferred tax liability is made up as follows:

	2005 £	2004 £
Accelerated capital allowances	642,292	465,172
Other timing differences	(12,364)	-
Tax losses available	(170,553)	-
	ÄÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄÄ
	459,375	465,172
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16 Pension costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

Defined contribution

	2005 £	2004 £
Contributions payable by the company for the year	136,941	130,136
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17 Share capital

	2005 £	2004 £
Authorised		
60,000 Ordinary shares of £1 each	60,000	60,000
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Allotted, called up and fully paid		
60,000 Ordinary shares of £1 each	60,000	60,000
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BEALE'S LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

18 Statement of movements on reserves

	Revaluation reserve £	Profit and loss account £
Balance at 1 April 2004	47,674	4,530,340
Retained loss for the year	-	(260,655)
Transfer from revaluation reserve to profit and loss account	(47,674)	47,674
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Balance at 31 March 2005	-	4,317,359
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19 Reconciliation of movements in shareholders' funds

	2005 £	2004 £
(Loss)/Profit for the financial year	(207,855)	99,464
Dividends	(52,800)	(52,800)
	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ
Net (depletion in)/addition to shareholders' funds	(260,655)	46,664
Opening shareholders' funds	4,638,014	4,591,350
	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ
Closing shareholders' funds	4,377,359	4,638,014
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20 Financial commitments

At 31 March 2005 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2005	2004
	£	£
Expiry date:		
In over five years	38,000	38,000
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The operating lease on land and buildings is subject to review every 21 years.

BEALE'S LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

21 Directors' emoluments	2005	2004
	£	£
Emoluments for qualifying services	160,297	142,567
Company pension contributions to money purchase schemes	62,829	54,365
Directors' fees	28,816	27,981
	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ
	251,942	224,913
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There were 2 directors in the company's defined contribution pension scheme during the year (2004 - 2)

22 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2005	2004
	Number	Number
Monthly staff (including directors)	151	123
Weekly staff	56	97
	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ
	207	220
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Employment costs

	£	£
Wages and salaries	1,913,974	1,832,311
Social security costs	149,456	141,291
Other pension costs	165,757	158,117
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	2,229,187	2,131,719
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BEALE'S LIMITED
MANAGEMENT INFORMATION
FOR THE YEAR ENDED 31 MARCH 2005

BEALE'S LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2005

		2005		2004
	£	£	£	£
Turnover				
Sales		5,450,970		5,375,626
Cost of sales				
Purchases	741,152		745,468	
Wages and salaries	1,676,180		1,615,010	
Agency costs	18,756		23,468	
	ÄÄÄÄÄÄÄÄ		ÄÄÄÄÄÄÄÄ	
		(2,436,088)		(2,383,946)
		ÄÄÄÄÄÄÄÄ		ÄÄÄÄÄÄÄÄ
Gross profit	55.31%	3,014,882	55.65%	2,991,680
Administrative expenses		(2,673,198)		(2,489,710)
		ÄÄÄÄÄÄÄÄ		ÄÄÄÄÄÄÄÄ
Operating profit		341,684		501,970
Other interest receivable and similar income				
Bank interest received		1,675		30,790
Income from investments				
Dividends received from subsidiary unds		47,674		-
Amounts written off investments				
Amounts written of fixed asset investments		(47,674)		-
Interest payable				
Bank interest paid	386,464		232,286	
Interest on overdue taxation payable	37,173		-	
Other interest paid	3,597		-	
	ÄÄÄÄÄÄÄÄ		ÄÄÄÄÄÄÄÄ	
		(427,234)		(232,286)
		ÄÄÄÄÄÄÄÄ		ÄÄÄÄÄÄÄÄ
(Loss)/profit before taxation	1.54%	(83,875)	5.59%	300,474
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BEALE'S LIMITED

SCHEDULE OF ADMINISTRATIVE EXPENSES FOR THE YEAR ENDED 31 MARCH 2005

	2005	2004
	£	£
Administrative expenses		
Wages and salaries	85,959	82,504
Directors' remuneration	151,835	134,797
Employer's N.I. contributions	149,456	141,291
Directors' pension costs	62,829	54,365
Staff pension costs	74,112	75,771
Directors fees	28,816	27,981
Staff training	29,188	23,222
Commissions payable	99,535	71,331
Rent re operating leases	37,319	38,000
Rates	258,345	231,593
Insurance	78,540	74,716
Power	138,370	123,573
Cleaning and consumables	185,977	168,170
Repairs and maintenance	342,697	244,019
Printing, postage and stationery	105,496	74,646
Advertising and promotion	168,658	133,171
Telephone	32,717	33,143
Hire of equipment	28,564	29,487
Travel and cars	24,308	25,397
Legal and professional fees	29,569	20,366
Audit and accountancy fees	10,350	10,050
Bad and doubtful debts	(3,595)	4,765
General expenses	313,032	261,933
Sundry operating charges	91,747	101,749
Depreciation on freehold property	27,746	19,467
Amortisation on long leasehold	37,167	37,138
Depreciation on plant and machinery	224,924	219,481
Depreciation on motor vehicles	2,917	3,889
Write back of depreciation	(173,838)	-
Profits/losses on disp of tangibles	30,458	23,695
	ÄÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄÄ
	2,673,198	2,489,710
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