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**BEALE'S LIMITED**

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**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2009**

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**BEALE'S LIMITED**

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**COMPANY INFORMATION**

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<b>DIRECTORS</b>	P T Smale (Chairman) A E Beale A P King
<b>COMPANY SECRETARY</b>	M G Pettit (Taylor Walton)
<b>COMPANY NUMBER</b>	00043303
<b>REGISTERED OFFICE</b>	West Lodge Park Cockfosters Road Hadley Wood Hertfordshire EN4 0PY
<b>AUDITOR</b>	Hillier Hopkins LLP Chartered Accountants & Registered Auditor Charter Court Midland Road Hemel Hempstead Herts HP2 5GE
<b>SOLICITORS</b>	Taylor Walton 33 - 44 Alma Street Luton Bedfordshire LU1 2PL

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**BEALE'S LIMITED**

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## BEALE'S LIMITED

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### CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 31 MARCH 2009

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The chairman presents his statement for the period.

The year ended in March 2009 was a remarkable one. Our hotels started the year running at around 25% up on the previous year and steadily throughout the year, moved down to a position of being 25% below the previous year. The falls were directly related to the deep recession that hit the economy, with both corporate and private markets reining back on their expenditure.

I would like to thank the hotel teams for the hard work that they did in very difficult circumstances. We were able to reduce labour costs without redundancy to achieve the budgeted percentage of sales. However, with markets being so competitive, we could not recover all of the world-wide high inflation in food and drink costs, so our gross operating profit suffered and was 3.5% below budget. Overheads were controlled well and we made a trading profit of £246k, but exceptional charges and the dividend payment resulted in an adjusted net loss of £31k.

In view of the uncertainty of future trading, the Board decided not to proceed with the addition of an extra floor onto Beales Hotel, which would have required an additional loan of around £1.5 million. However, the restaurant and bar at West Lodge Park was successfully refurbished and opened as the Mary Beale Restaurant. Air-conditioning was installed in all of the bedrooms at Beales Hotel.

With the recession set to continue for the immediate future, costs will be controlled, whilst we strive to offer our guests that extra service that differentiates West Lodge Park and Beales Hotel from other 4 star hotels. We are budgeting to achieve a very small net profit in 2009/10, but there is no leeway for unforeseen costs and economists are not projecting any significant recovery in the near future. In these uncertain circumstances, the Board regrets that we do not anticipate being able to recommend a dividend payment in 2009/10.

We began some Family Governance initiatives during the year, to encourage frank and open discussion on the sorts of issues that affect all family businesses. The outcome of the initial meetings has focussed on potential exit strategy options for minority shareholders. The Board is considering, also, a more formal policy relating dividend payments to the profits earned by the business. The consideration of these options continues.

Our key financial statistics were as follows:

	2008/09	2007/08	2006/07	Change on last year
Room Occupancy %	70.9	75.4	72.8	-5.9%
Average Room Rate £	77.29	72.55	68.52	+6.5%
Revenue/Available Room £	54.80	54.67	49.87	+0.2%
Accommodation sales £	2.19m	2.18m	2.00m	+0.5%
Food/Bar/Room Hire/Sundry £	3.41m	3.59m	3.23m	-5.0%

Peter Smale  
Chairman

Date 9 July 2009

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## BEALE'S LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2009

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The directors present their report and the financial statements for the year ended 31 March 2009.

#### STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 that disclose with reasonable accuracy at any time the financial position of the company and 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.

#### PRINCIPAL ACTIVITIES

The company's principal activity is that of hoteliers.

#### BUSINESS REVIEW

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

The company is exposed to a variety of commercial risks. These could range from the wider effects of the general economy and external competition to those more specific to the company, such as its own financial strength and size. The Board regularly review these risks and their potential impact on the company.

The Board monitors the company's performance through the use of regular financial information and management reports. The Board particularly focuses on the company's level of profitability, levels of room occupancy, average rates per room and its financial strength.

#### RESULTS

The profit for the year, after taxation, amounted to £39,327 (2008 - 272,255).

#### DIRECTORS

The directors who served during the year were:

P T Smale (Chairman)  
A E Beale  
A P King

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**BEALE'S LIMITED**

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 MARCH 2009**

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**PROVISION OF INFORMATION TO AUDITOR**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

**AUDITOR**

The auditor, Hillier Hopkins LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

**P T Smale (Chairman)**  
Director

Date: 9 July 2009

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## BEALE'S LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BEALE'S LIMITED

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We have audited the financial statements of Beale's Limited for the year ended 31 March 2009, set out on pages 6 to 20. These financial statements have been prepared under 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 DIRECTORS AND AUDITORS

The directors' responsibilities for preparing the Annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of directors' responsibilities.

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 whether in our opinion the information given in the Directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions is not disclosed.

We read other information contained in the Annual report and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' report, the Chairman's statement and the Operating and financial review. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

#### 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 judgments 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2009 and of its profit, for the year then ended;

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**BEALE'S LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BEALE'S LIMITED**

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- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' report is consistent with the financial statements.

**HILLIER HOPKINS LLP**

Chartered Accountants  
Registered Auditor

Charter Court  
Midland Road  
Hemel Hempstead  
Herts  
HP2 5GE

10 August 2009



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**BEALE'S LIMITED**

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**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2009**

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	Note	2009 £	2008 £
<b>TURNOVER</b>	1,2	<b>5,602,554</b>	5,766,460
Cost of sales		<b>(2,635,770)</b>	(2,571,711)
<b>GROSS PROFIT</b>		<b>2,966,784</b>	3,194,749
Administrative expenses		<b>(2,720,973)</b>	(2,703,517)
Other operating charges		<b>(49,331)</b>	-
<b>OPERATING PROFIT</b>	3	<b>196,480</b>	491,232
Interest receivable		<b>15,418</b>	35,458
Interest payable	6	<b>(191,980)</b>	(215,039)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>19,918</b>	311,651
Tax on profit on ordinary activities	7	<b>19,409</b>	(39,396)
<b>PROFIT FOR THE FINANCIAL YEAR</b>	16	<b>39,327</b>	272,255

All amounts relate to continuing operations.

There were no recognised gains and losses for 2009 or 2008 other than those included in the Profit and loss account.

The notes on pages 9 to 20 form part of these financial statements.

**BEALE'S LIMITED**

**BALANCE SHEET  
AS AT 31 MARCH 2009**

	Note	£	2009 £	£	2008 £
<b>FIXED ASSETS</b>					
Tangible fixed assets	8		<b>8,766,886</b>		8,650,907
Fixed asset investments	9		<b>100</b>		40,107
			<u>8,766,986</u>		<u>8,691,014</u>
<b>CURRENT ASSETS</b>					
Stocks	10	<b>24,282</b>		27,570	
Debtors	11	<b>164,465</b>		357,390	
Cash at bank and in hand		<b>1,769</b>		543,516	
			<u>190,516</u>	<u>928,476</u>	
<b>CREDITORS:</b> amounts falling due within one year	12		<u>(822,692)</u>	<u>(1,157,207)</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(632,176)</u>		<u>(228,731)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>8,134,810</b>		8,462,283
<b>CREDITORS:</b> amounts falling due after more than one year	13		<b>(2,699,676)</b>		(2,973,755)
<b>PROVISIONS FOR LIABILITIES</b>					
Deferred tax	14		<b>(66,355)</b>		(88,876)
<b>NET ASSETS</b>			<u><b>5,368,779</b></u>		<u>5,399,652</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	15		<b>60,000</b>		60,000
Profit and loss account	16		<b>5,308,779</b>		5,339,652
<b>SHAREHOLDERS' FUNDS</b>	17		<u><b>5,368,779</b></u>		<u>5,399,652</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

**P T Smale (Chairman)**  
Director

**A E Beale**  
Director

Date: 9 July 2009

Date: 9 July 2009

The notes on pages 9 to 20 form part of these financial statements.

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**BEALE'S LIMITED**

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**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2009**

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	Note	2009 £	2008 £
Net cash flow from operating activities	19	<b>624,573</b>	891,750
Returns on investments and servicing of finance	20	<b>(176,562)</b>	(179,581)
Taxation		<b>(17,092)</b>	(551,110)
Capital expenditure and financial investment	20	<b>(500,157)</b>	(306,638)
Equity dividends paid		<b>(70,200)</b>	(60,000)
<b>CASH OUTFLOW BEFORE FINANCING</b>		<b>(139,438)</b>	(205,579)
Financing	20	<b>(254,881)</b>	(188,117)
<b>DECREASE IN CASH IN THE YEAR</b>		<b>(394,319)</b>	(393,696)

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**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT  
FOR THE YEAR ENDED 31 MARCH 2009**

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	2009 £	2008 £
Decrease in cash in the year	<b>(394,319)</b>	(393,696)
Cash outflow from decrease in debt and lease financing	<b>254,881</b>	188,117
<b>MOVEMENT IN NET DEBT IN THE YEAR</b>	<b>(139,438)</b>	(205,579)
Net debt at 1 April 2008	<b>(2,863,351)</b>	(2,657,772)
<b>NET DEBT AT 31 MARCH 2009</b>	<b>(3,002,789)</b>	(2,863,351)

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The notes on pages 9 to 20 form part of these financial statements.

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## BEALE'S LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

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#### 1. ACCOUNTING POLICIES

##### 1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

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

##### 1.2 TURNOVER

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts.

##### 1.3 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

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

##### 1.4 INVESTMENTS

Investments held as fixed assets are shown at cost less provision for impairment.

##### 1.5 LEASING AND HIRE PURCHASE

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. 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.

##### 1.6 OPERATING LEASES

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

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**BEALE'S LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2009**

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**1. ACCOUNTING POLICIES (continued)**

**1.7 STOCKS**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**1.8 DEFERRED TAXATION**

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

**1.9 PENSIONS**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

**1.10 ACCOUNTING DATE**

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

**2. TURNOVER**

The total turnover of the company for the year has been derived from its principal activity.

All turnover arose within the United Kingdom.

**3. OPERATING PROFIT**

The operating profit is stated after charging:

	<b>2009</b>	2008
	£	£
Depreciation of tangible fixed assets:		
- owned by the company	<b>327,215</b>	344,742
- held under finance leases	<b>10,961</b>	17,477
Auditors' remuneration	<b>13,727</b>	19,175
	<b>=====</b>	<b>=====</b>

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**BEALE'S LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2009**

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**4. STAFF COSTS**

Staff costs, including directors' remuneration, were as follows:

	<b>2009</b>	<i>2008</i>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>2,064,543</b>	<i>1,995,373</i>
Social security costs	<b>177,178</b>	<i>167,883</i>
Other pension costs	<b>170,122</b>	<i>147,794</i>
	<b><u>2,411,843</u></b>	<i><u>2,311,050</u></i>

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

	<b>2009</b>	<i>2008</i>
	<b>No.</b>	<i>No.</i>
Monthly staff (including directors)	<b><u>204</u></b>	<i><u>211</u></i>

The above numbers include directors, full time and part time staff.

**5. DIRECTORS' REMUNERATION**

	<b>2009</b>	<i>2008</i>
	<b>£</b>	<b>£</b>
Emoluments	<b><u>262,336</u></b>	<i><u>204,532</u></i>
Company pension contributions to money purchase pension schemes	<b><u>105,000</u></b>	<i><u>83,750</u></i>

During the year retirement benefits were accruing to 2 directors (*2008 - 2*) in respect of money purchase pension schemes.

The highest paid director received remuneration of £110,335 (*2008 - £86,603*).

The value of the company's contributions paid to a money purchase pension scheme in respect of the highest paid director amounted to £69,000 (*2008 - £55,000*).

**6. INTEREST PAYABLE**

	<b>2009</b>	<i>2008</i>
	<b>£</b>	<b>£</b>
On bank loans and overdrafts	<b><u>191,980</u></b>	<i><u>215,039</u></i>

**BEALE'S LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2009**

**7. TAXATION**

	2009 £	2008 £
<b>ANALYSIS OF TAX CHARGE/(CREDIT) IN THE YEAR</b>		
<b>CURRENT TAX</b> (see note below)		
UK corporation tax charge on profit for the year	3,328	7,092
Adjustments in respect of prior periods	(216)	(45,472)
<b>TOTAL CURRENT TAX</b>	<b>3,112</b>	<b>(38,380)</b>
<b>DEFERRED TAX</b> (see note 14)		
Origination and reversal of timing differences	(22,521)	77,776
<b>TAX ON PROFIT ON ORDINARY ACTIVITIES</b>	<b>(19,409)</b>	<b>39,396</b>

**FACTORS AFFECTING TAX CHARGE FOR THE YEAR**

The tax assessed for the year is lower than (2008 - lower than) the standard rate of corporation tax in the UK (21%). The differences are explained below:

	2009 £	2008 £
Profit on ordinary activities before tax	19,918	311,651
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2008 - 20%)	4,183	62,330
<b>EFFECTS OF:</b>		
Expenses not deductible for tax purposes	28,071	20,917
Capital allowances for year in excess of depreciation	(37,635)	(57,312)
Other tax adjustments	8,709	(18,843)
Adjustments to tax charge in respect of prior periods	(216)	(45,472)
<b>CURRENT TAX CHARGE/(CREDIT) FOR THE YEAR</b> (see note above)	<b>3,112</b>	<b>(38,380)</b>

**FACTORS THAT MAY AFFECT FUTURE TAX CHARGES**

The company has taxable losses of £936,494 (2008: £885,193) available to carry forward against future periods.

**BEALE'S LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2009**

**8. TANGIBLE FIXED ASSETS**

	Land and buildings £	Plant and machinery £	Motor vehicles £	Total £
<b>COST</b>				
At 1 April 2008	7,651,740	3,554,541	51,404	11,257,685
Additions	382,963	113,763	4,850	501,576
Disposals	(42,649)	(126,845)	(7,400)	(176,894)
	<u>7,992,054</u>	<u>3,541,459</u>	<u>48,854</u>	<u>11,582,367</u>
<b>DEPRECIATION</b>				
At 1 April 2008	564,502	2,004,743	37,533	2,606,778
Charge for the year	67,815	265,681	4,680	338,176
On disposals	(4,816)	(117,257)	(7,400)	(129,473)
	<u>627,501</u>	<u>2,153,167</u>	<u>34,813</u>	<u>2,815,481</u>
<b>NET BOOK VALUE</b>				
At 31 March 2009	<u>7,364,553</u>	<u>1,388,292</u>	<u>14,041</u>	<u>8,766,886</u>
<i>At 31 March 2008</i>	<u>7,087,238</u>	<u>1,549,798</u>	<u>13,871</u>	<u>8,650,907</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2009 £	2008 £
Plant and machinery	47,580	90,865
Motor vehicles	7,834	9,285
	<u>55,414</u>	<u>100,150</u>

Included in land and buildings is freehold land amounting to £400,000 (2008 - £400,000) which is not depreciated.

At 31 March 2009, included within the net book value of land and buildings is £5,103,779 (2008 - £4,965,249) relating to freehold land and buildings, £2,260,775 (2008 - £2,121,991) relating to long term leasehold land and buildings and £NIL (2008 - £NIL) relating to short term leasehold land and buildings.



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**BEALE'S LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2009**

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**9. FIXED ASSET INVESTMENTS**

	Shares in group under- takings £
<b>COST OR VALUATION</b>	
At 1 April 2008	40,107
Amounts written off	(40,007)
	<hr/>
At 31 March 2009	100
	<hr/> <hr/>

**SUBSIDIARY UNDERTAKINGS**

The following were subsidiary undertakings of the company:

Name	Holding	2009 £	2008 £
Beale's (Caterers) Limited	100%	-	40,007
Buckingham Lodge Hotel Limited	100%	100	100
		<hr/>	<hr/>
		100	40,107
		<hr/> <hr/>	<hr/> <hr/>

Name	Business	Registered office
Beale's (Caterers) Limited	Dormant	England & Wales
Buckingham Lodge Hotel Limited	Dormant	England & Wales

The aggregate of the share capital and reserves as at 31 March 2009 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(loss) £
Beale's (Caterers) Limited	-	(40,007)
Buckingham Lodge Hotel Limited	2,838,042	-
	<hr/> <hr/>	<hr/> <hr/>

**10. STOCKS**

	2009 £	2008 £
Bar and food stocks	24,282	27,570
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**BEALE'S LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2009**

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**11. DEBTORS**

	<b>2009</b>	<i>2008</i>
	<b>£</b>	<b>£</b>
Trade debtors	<b>153,954</b>	<i>216,789</i>
Other debtors	<b>1,403</b>	<i>112,415</i>
Prepayments and accrued income	<b>9,108</b>	<i>28,186</i>
	<hr/> <b>164,465</b> <hr/>	<hr/> <i>357,390</i> <hr/>

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

	<b>2009</b>	<i>2008</i>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	<b>262,589</b>	<i>410,017</i>
Other loans	<b>30,031</b>	<i>30,808</i>
Payments received on account	<b>70,261</b>	<i>95,443</i>
Net obligations under finance leases and hire purchase contracts	<b>12,363</b>	<i>32,394</i>
Trade creditors	<b>154,592</b>	<i>167,010</i>
Corporation tax	<b>3,328</b>	<i>17,308</i>
Social security and other taxes	<b>116,974</b>	<i>181,121</i>
Accruals and deferred income	<b>172,554</b>	<i>223,106</i>
	<hr/> <b>822,692</b> <hr/>	<hr/> <i>1,157,207</i> <hr/>

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 properties, a fixed charge on the company's book debts and a floating charge on all other assets.

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**BEALE'S LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2009**

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**13. CREDITORS:  
AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>2009</b>	<i>2008</i>
	<b>£</b>	<i>£</i>
Bank loans	<b>2,656,564</b>	<i>2,846,318</i>
Other loans	<b>42,169</b>	<i>74,075</i>
Net obligations under finance leases and hire purchase contracts	<b>843</b>	<i>13,255</i>
Amounts owed to group undertakings	<b>100</b>	<i>40,107</i>
	<b><u>2,699,676</u></b>	<i><u>2,973,755</u></i>

Included within the above are amounts falling due as follows:

	<b>2009</b>	<i>2008</i>
	<b>£</b>	<i>£</i>
<b>BETWEEN ONE AND TWO YEARS</b>		
Bank loans	<b>253,006</b>	<i>253,006</i>
Other loans	<b>30,031</b>	<i>30,808</i>
	<b><u>283,037</u></b>	<i><u>283,814</u></i>
<b>BETWEEN TWO AND FIVE YEARS</b>		
Bank loans	<b>759,018</b>	<i>759,018</i>
Other loans	<b>12,138</b>	<i>43,267</i>
	<b><u>771,156</u></b>	<i><u>802,285</u></i>
<b>OVER FIVE YEARS</b>		
Bank loans	<b>1,644,539</b>	<i>1,834,293</i>
	<b><u>1,644,539</u></b>	<i><u>1,834,293</u></i>

Creditors include amounts not wholly repayable within 5 years as follows:

	<b>2009</b>	<i>2008</i>
	<b>£</b>	<i>£</i>
Repayable by instalments	<b>1,644,539</b>	<i>1,834,293</i>
	<b><u>1,644,539</u></b>	<i><u>1,834,293</u></i>

The loan is repayable in quarterly installments over 15 years commencing 30 September 2005. Interest is charged at 1.25% above LIBOR.

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	<b>2009</b>	<i>2008</i>
	<b>£</b>	<i>£</i>
Between one and five years	<b>843</b>	<i>13,255</i>
	<b><u>843</u></b>	<i><u>13,255</u></i>

**BEALE'S LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2009**

**14. DEFERRED TAXATION**

	2009 £	2008 £
At beginning of year	88,876	11,100
(Released during)/charge for year	(22,521)	77,776
	66,355	88,876
	66,355	88,876

The provision for deferred taxation is made up as follows:

	2009 £	2008 £
Accelerated capital allowances	263,019	265,915
Tax losses carried forward	(196,664)	(177,039)
	66,355	88,876
	66,355	88,876

**15. SHARE CAPITAL**

	2009 £	2008 £
<b>AUTHORISED, ALLOTTED, CALLED UP AND FULLY PAID</b>		
60,000 Ordinary shares of £1 each	60,000	60,000
	60,000	60,000

**16. RESERVES**

	Profit and loss account £
At 1 April 2008	5,339,652
Profit for the year	39,327
Dividends: Equity capital	(70,200)
	5,308,779
At 31 March 2009	5,308,779

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

	2009 £	2008 £
Opening shareholders' funds	5,399,652	5,187,397
Profit for the year	39,327	272,255
Dividends (Note 18)	(70,200)	(60,000)
	5,368,779	5,399,652
Closing shareholders' funds	5,368,779	5,399,652

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BEALE'S LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2009

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18. DIVIDENDS

	2009 £	2008 £
Dividends paid on equity capital	<u>70,200</u>	<u>60,000</u>

19. NET CASH FLOW FROM OPERATING ACTIVITIES

	2009 £	2008 £
Operating profit	196,480	491,232
Depreciation of tangible fixed assets	338,176	362,219
Loss on disposal of tangible fixed assets	46,002	8,847
Decrease/(increase) in stocks	3,288	(7,371)
Decrease in debtors	192,924	52,133
Decrease in creditors	(152,297)	(15,310)
<b>NET CASH INFLOW FROM OPERATIONS</b>	<u>624,573</u>	<u>891,750</u>

20. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2009 £	2008 £
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		
Interest received	15,418	35,458
Interest paid	(191,980)	(215,039)
<b>NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>	<u>(176,562)</u>	<u>(179,581)</u>
<b>CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT</b>		
Purchase of tangible fixed assets	(501,576)	(307,965)
Sale of tangible fixed assets	1,419	1,327
<b>NET CASH OUTFLOW FROM CAPITAL EXPENDITURE</b>	<u>(500,157)</u>	<u>(306,638)</u>

**BEALE'S LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2009**

**20. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)**

	2009 £	2008 £
<b>FINANCING</b>		
Repayment of bank loans	(189,754)	(253,007)
Other new loans	-	113,553
Repayment of other loans	(32,684)	(10,121)
Repayment of finance leases	(32,443)	(38,542)
<b>NET CASH OUTFLOW FROM FINANCING</b>	<b>(254,881)</b>	<b>(188,117)</b>

**21. ANALYSIS OF CHANGES IN NET DEBT**

	1 April 2008 £	Cash flow £	Other non-cash changes £	31 March 2009 £
Cash at bank and in hand:	543,516	(541,747)	-	1,769
Bank overdraft	(157,011)	147,428	-	(9,583)
	386,505	(394,319)	-	(7,814)
<b>DEBT:</b>				
Debts due within one year	(316,208)	254,881	(234,072)	(295,399)
Debts falling due after more than one year	(2,933,648)	-	234,072	(2,699,576)
<b>NET DEBT</b>	<b>(2,863,351)</b>	<b>(139,438)</b>	<b>-</b>	<b>(3,002,789)</b>

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**BEALE'S LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2009**

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**22. PENSION COMMITMENTS**

The pension cost charge represents contributions payable by the company to personal pension funds and amounted to £148,343 (2008 £125,992).

**23. OPERATING LEASE COMMITMENTS**

At 31 March 2009 the company had annual commitments under non-cancellable operating leases as follows:

	<b>Land and buildings</b>			<b>Other</b>
	<b>2009</b>	<i>2008</i>	<b>2009</b>	<i>2008</i>
	£	£	£	£
<b>EXPIRY DATE:</b>				
After more than 5 years	<b>38,000</b>	<i>38,000</i>	-	-

**24. CONTROLLING PARTY**

There is no ultimate controlling party.

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BEALE'S LIMITED

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DETAILED TRADING AND PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2009

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	Page	2009 £	2008 £
<b>Turnover</b>	22	<b>5,602,554</b>	5,766,460
Cost of sales	22	<b>(2,635,770)</b>	(2,571,711)
		<hr/>	<hr/>
<b>Gross profit</b>		<b>2,966,784</b>	3,194,749
<b>Gross profit %</b>		<b>53.0 %</b>	55.4 %
<b>Less: Overheads</b>			
Administration expenses	22	<b>(2,720,973)</b>	(2,703,517)
Other operating charges	23	<b>(49,331)</b>	-
		<hr/>	<hr/>
<b>Operating profit</b>		<b>196,480</b>	491,232
Interest receivable	23	<b>15,418</b>	35,458
Interest payable	23	<b>(191,980)</b>	(215,039)
		<hr/>	<hr/>
<b>Profit for the year</b>		<b>19,918</b>	311,651
		<hr/> <hr/>	<hr/> <hr/>



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**BEALE'S LIMITED**

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**SCHEDULE TO THE DETAILED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2009**

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	2009 £	2008 £
<b>Turnover</b>		
Sales	5,387,068	5,536,386
Rent receivable	9,567	8,964
Other income	205,919	221,110
	<u>5,602,554</u>	<u>5,766,460</u>
	<u><u>5,602,554</u></u>	<u><u>5,766,460</u></u>
	2009 £	2008 £
<b>Cost of sales</b>		
Purchases	891,154	844,917
Wages and salaries	1,744,616	1,726,794
	<u>2,635,770</u>	<u>2,571,711</u>
	<u><u>2,635,770</u></u>	<u><u>2,571,711</u></u>
	2009 £	2008 £
<b>Administration expenses</b>		
Directors salaries	235,090	181,701
Directors fees	15,012	10,101
Directors pension costs	105,000	83,750
Staff salaries	69,824	76,776
Staff national insurance	177,178	167,883
Staff pension costs and benefits	21,779	21,802
Pension costs	43,343	42,242
Staff training	7,436	13,167
Agency costs	23,876	21,058
Hotels, travel, subsistence and entertainment	19,855	22,589
Printing and stationery	66,997	66,936
Postage	6,012	5,982
Telephone and fax	5,416	6,215
Advertising and promotion	70,249	56,233
Trade subscriptions	12,756	8,591
Legal and professional	56,025	115,965
Auditors' remuneration	13,727	19,175
Bank charges	9,786	10,475
Bad debts	2,020	3,781
Sundry expenses	166,615	157,733
Rent	38,000	38,000
Rates	165,896	159,889
Water	26,213	30,077
Light and heat	152,133	138,277
Cleaning	191,685	208,555
Insurances	57,076	56,916
	<u>1,758,999</u>	<u>1,723,869</u>
Sub-total carried forward	<u><u>1,758,999</u></u>	<u><u>1,723,869</u></u>

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**BEALE'S LIMITED**

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**SCHEDULE TO THE DETAILED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2009**

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	<b>2009</b> £	2008 £
<b>Administration expenses (continued)</b>		
Sub-total brought forward	1,758,999	1,723,869
Repairs and maintenance	315,696	383,591
Depreciation - plant and machinery	333,497	357,596
Depreciation - motor vehicles	4,680	4,623
Profit/loss on sale of tangible assets	46,002	8,847
Sundry operating expenses	138,960	116,731
Commissions payable	123,139	108,260
	<u>2,720,973</u>	<u>2,703,517</u>
	<b>2009</b> £	2008 £
<b>Other operating charges</b>		
Recoverable taxation overprovision	<u>49,331</u>	<u>-</u>
	<b>2009</b> £	2008 £
<b>Interest receivable</b>		
Bank interest receivable	<u>15,418</u>	<u>35,458</u>
	<b>2009</b> £	2008 £
<b>Interest payable</b>		
Bank overdraft interest payable	227	3,954
Bank loan interest payable	191,753	211,085
	<u>191,980</u>	<u>215,039</u>