

**REGISTRAR OF
COMPANIES**

Mark's Club (Charles Street) Limited

Report and Financial Statements

79 Weeks Ended

2 January 2011

Company Number 836906

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Mark's Club (Charles Street) Limited

**Report and financial statements
for the period ended 2 January 2011**

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Directors

R A Caring
A Chadwyck-Healey
J W S Lawrence

Secretary and registered office

L Copperthwaite, 44 Hay's Mews, London, W1J 5QB

Company number

836906

Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU

Mark's Club (Charles Street) Limited

Report of the directors for the period ended 2 January 2011

The directors present their report together with the audited financial statements for the period ended 2 January 2011. The comparative period is for the 52 weeks ended 28 June 2009.

Results and dividends

The profit and loss account is set out on page 5 and shows the profit for the period.

The profit for the period after taxation for the period amounted to £328,418 (28 June 2009 - £242,782).

The directors do not recommend the payment of a final dividend (28 June 2009 - £Nil).

Principal activity

The principal activity of the company, which has remained unchanged during the period, is the ownership and operation of a proprietary club "Mark's Club".

Directors

The directors of the company during the period were:

R A Caring
A Chadwyck-Healey
J W S Lawrence

Directors' responsibilities

The directors are responsible for preparing the directors' 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). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 judgements and accounting estimates that are reasonable and prudent, and
- 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 adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. 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.

Mark's Club (Charles Street) Limited

Report of the directors for the period ended 2 January 2011 (*continued*)

Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

Baker Tilly UK Audit LLP resigned as auditors of the company during the period and BDO LLP were appointed as auditors of the company by the directors. BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them as auditors will be proposed at the next annual general meeting.

In preparing this directors' report advantage has been taken of the small companies' exemption.

On behalf of the Board

J W S Lawrence



Director

30 June 2011

Mark's Club (Charles Street) Limited

Independent auditor's report

TO THE MEMBERS OF MARK'S CLUB (CHARLES STREET) LIMITED

We have audited the financial statements of Mark's Club (Charles Street) Limited for the period ended 2 January 2011 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 2 January 2011 and of its profit for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Mark's Club (Charles Street) Limited

Independent auditor's report (*continued*)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

BDO LLP

*David Campbell, (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom*

30 June 2011

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

Mark's Club (Charles Street) Limited

Profit and loss account for the period ended 2 January 2011

	Note	79 weeks ended 2 January 2011 £	52 weeks ended 28 June 2009 £
Turnover	2	3,328,676	2,084,091
Cost of sales		(530,766)	(335,458)
Gross profit		2,797,910	1,748,633
Administrative expenses		(2,324,914)	(1,470,142)
Operating profit		472,996	278,491
Interest receivable	3	18,883	29,112
Interest payable		(110)	(2,140)
Profit on ordinary activities before taxation	4	491,769	305,463
Taxation on profit from ordinary activities	6	(163,351)	(62,681)
Profit on for the financial period	13	328,418	242,782

The operating profit for the period arises from the company's continuing operations

No separate statement of total recognised gains and losses has been presented, as all such gains and losses have been dealt with in the profit and loss account

The notes on pages 7 to 14 form part of these financial statements


Mark's Club (Charles Street) Limited

Balance sheet at 2 January 2011

<i>Company number 836906</i>	Note	2 January 2011 £	2 January 2011 £	28 June 2009 £	28 June 2009 £
Fixed assets					
Tangible assets	7		308,019		463,936
Current assets					
Stock	8	95,920		96,115	
Debtors	9	1,668,693		1,218,577	
Cash at bank and in hand		59,617		26,528	
		<u>1,824,230</u>		<u>1,341,220</u>	
Creditors, amounts falling due within one year	10	<u>849,613</u>		<u>851,898</u>	
Net current assets			974,617		489,322
Provisions for liabilities and charges	11		960		-
Net assets			<u>1,281,676</u>		<u>953,258</u>
Capital and reserves					
Called up share capital	12		280,000		280,000
Profit and loss account	13		1,001,676		673,258
Shareholders' funds	14		<u>1,281,676</u>		<u>953,258</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime

The financial statements were approved by the Board of Directors and authorised for issue on 30 June 2011



J W S Lawrence
Director

The notes on pages 7 to 14 form part of these financial statements

Mark's Club (Charles Street) Limited

Notes forming part of the financial statements for the period ended 2 January 2011

1 Accounting policies

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

The following principal accounting policies have been applied

Basis of accounting

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

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement as it was a wholly owned subsidiary of MBH Group (UK) Limited for the entire period under review. The company's cash flows are included in the consolidated cash flow statement of MBH Group (UK) Limited

Going Concern

As highlighted in note 16, the intermediate parent of the entity is party to a joint loan facility with various related entities (the "Borrowing Group") that is due for renewal in June 2012. Current economic conditions create uncertainty in particular over the availability of bank finance in the foreseeable future.

The Borrowing Group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Borrowing Group should be able to operate within the level of its current facility. The Borrowing Group will open renewal negotiations with the bank in due course and has, at this stage, not sought any written commitment that the facility will be renewed. However, the Borrowing Group has held discussion with its bankers about its future borrowing needs and no matters have been drawn to its attention to suggest that renewal may not be forthcoming on acceptable terms.

In assessing the going concern basis of preparation of the financial statements for the period ended 2 January 2011, the directors have taken into consideration detailed cash flow forecasts for the Borrowing Group, and the Borrowing Group's forecast compliance with bank covenants.

The Borrowing Group has sufficient financial resources together with an established and cash generative business model, and access to borrowing facilities. As a consequence, the directors believe that the Borrowing Group is well placed to manage its business risks successfully despite the current uncertain economic outlook.

Based on this assessment the directors are confident that the Borrowing Group will have adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the financial statements for the period ended 2 January 2011.

Turnover

Turnover represents subscriptions earned and sales to members, net of valued added tax.

Subscriptions received are credited to the profit and loss account on an accruals basis. The proportion of subscriptions treated as unearned is carried forward at the balance sheet date and credited to the profit and loss account in the following year. Subscriptions are not repayable under any circumstances.

Stock

Stocks have been valued at the lower of cost and net realisable value.

Mark's Club (Charles Street) Limited

Notes forming part of the financial statements for the period ended 2 January 2011 (*continued*)

1 Accounting policies (*continued*)

Tangible fixed assets

Depreciation is provided on a straight line basis on all fixed assets at rates calculated to write off the cost over their expected useful lives as follows

Plant and equipment	-	between three and ten years
Furniture, fixtures and fittings	-	between five and ten years

Deferred taxation

The charge for taxation takes into account taxation deferred as a result of material timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of all material timing differences that have originated but not reversed at the balance sheet date. However, deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be sustainable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred taxation is measured on a non discounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Leased assets and obligations

Annual rentals under operating leases are charged to the profit and loss account on an accruals basis.

Pensions

The company contributes to defined contribution pension schemes. The amount charged to the profit and loss account represents contributions payable by the company in respect of the financial period.

2 Turnover

All turnover and the profit before taxation were generated by the company's proprietary club in the United Kingdom.

3 Interest receivable

	79 weeks ended 2 January 2011 £	52 weeks ended 28 June 2009 £
Bank interest	193	1,275
Other interest	-	3,098
Interest received from related company	18,690	24,739
	<hr/>	<hr/>
	18,883	29,112
	<hr/>	<hr/>

Mark's Club (Charles Street) Limited

Notes forming part of the financial statements
for the period ended 2 January 2011 (*continued*)

4 Profit on ordinary activities before taxation

	79 weeks ended 2 January 2011 £	52 weeks ended 28 June 2009 £
This has been arrived at after charging		
Depreciation of fixed assets	165,574	74,100
Operating lease rentals - property	197,500	130,000
Audit fees	3,825	4,500
	<u> </u>	<u> </u>

5 Employees

	79 weeks ended 2 January 2011 £	52 weeks ended 28 June 2009 £
Staff costs consist of		
Wages and salaries	962,974	592,228
Social security costs	71,192	37,316
Other pension costs	807	1,172
	<u> </u>	<u> </u>
	1,034,973	630,716
	<u> </u>	<u> </u>

	Number	Number
The average monthly number of persons (including directors) employed by the company during the period was		
Catering	33	32
Administration	6	6
	<u> </u>	<u> </u>
	39	38
	<u> </u>	<u> </u>

Directors remuneration

The directors did not receive any remuneration for their services during the period (28 June 2009 - £Nil)

Pension costs

The total charge to the profit and loss account in the period in respect of defined contribution pension scheme was £807 (28 June 2009 - £1,172) At 2 January 2011 there were no outstanding contributions (28 June 2009 - £Nil)

Mark's Club (Charles Street) Limited

Notes forming part of the financial statements
for the period ended 2 January 2011 (*continued*)

6 Taxation on profit from ordinary activities

	79 weeks ended 2 January 2011 £	52 weeks ended 28 June 2009 £
<i>Current tax</i>		
UK corporation tax on profits for the period	-	1,286
Adjustment in respect of previous period	1,504	(7,194)
Payment for surrender of losses	160,887	68,589
	<hr/>	<hr/>
	162,391	62,681
Deferred tax (note 11)	960	-
	<hr/>	<hr/>
Tax charge on profit on ordinary activities	163,351	62,681
	<hr/>	<hr/>
Factors affecting tax charge for the period		
Profit on ordinary activities before tax	491,769	305,463
	<hr/>	<hr/>
Profit on ordinary activities at the standard rate of corporation tax in the UK of 28% (28 June 2009 - 28%)	137,695	85,530
Effects of		
Small companies relief	-	(428)
Expenses not deductible for tax purposes	372	84
Transfer pricing adjustment	7,108	(313)
Capital allowances less than/(in excess) of depreciation	15,151	(14,998)
Group relief	(160,887)	(68,589)
Other	561	-
	<hr/>	<hr/>
Current tax charge for period	-	1,286
	<hr/>	<hr/>

Mark's Club (Charles Street) Limited

Notes forming part of the financial statements
for the period ended 2 January 2011 (*continued*)

7 Tangible assets

	Short leasehold property £	Plant and equipment £	Furniture, fixtures and fittings £	Total £
<i>Cost</i>				
At 29 June 2009	63,064	248,803	896,075	1,207,942
Additions	-	3,415	6,243	9,658
	<hr/>	<hr/>	<hr/>	<hr/>
At 2 January 2011	63,064	252,218	902,318	1,217,600
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>				
At 29 June 2009	784	163,783	579,440	744,007
Charge in the period	10,500	41,099	113,975	165,574
	<hr/>	<hr/>	<hr/>	<hr/>
At 2 January 2011	11,284	204,882	693,415	909,581
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>				
At 2 January 2011	51,780	47,336	208,903	308,019
	<hr/>	<hr/>	<hr/>	<hr/>
At 28 June 2009	62,280	85,020	316,635	463,935
	<hr/>	<hr/>	<hr/>	<hr/>

8 Stocks

	2 January 2011 £	28 June 2009 £
Wines, spirits, foods, tobacco and crockery	95,920	96,115
	<hr/>	<hr/>

9 Debtors' amounts falling due within one year

	2 January 2011 £	28 June 2009 £
Trade debtors	106,705	52,301
Amount owed by immediate parent company	214,907	115,000
Amounts owed by fellow subsidiary undertakings	319,987	15,023
Amounts owed by related company	950,000	949,804
Other debtors	-	-
Prepayments and accrued income	77,094	86,449
	<hr/>	<hr/>
	1,668,693	1,218,577
	<hr/>	<hr/>

Mark's Club (Charles Street) Limited

Notes forming part of the financial statements
for the period ended 2 January 2011 (*continued*)

10 Creditors: amounts falling due within one year

	2 January 2011 £	28 June 2009 £
Trade creditors	41,242	136,692
Amount owed to intermediate parent company	160,887	68,589
Amounts owed to fellow subsidiary undertakings	140,560	148,057
Corporation tax	-	1,286
Other taxes and social security	109,346	43,226
Other creditors	13,841	18,152
Accruals	51,918	75,019
Deferred income	331,819	360,877
	<u>849,613</u>	<u>851,898</u>

11 Provisions for liabilities and charges

Deferred taxation - accelerated capital allowances

At 29 June 2009	-
Profit and loss charge (note 6)	960
	<u>960</u>
At 2 January 2011	<u>960</u>

12 Share capital

	Authorised, allotted, issued and fully paid			
	2 January 2011 Number	28 June 2009 Number	2 January 2011 £	28 June 2009 £
Ordinary shares of £1 each	<u>280,000</u>	<u>280,000</u>	<u>280,000</u>	<u>280,000</u>

13 Statement of movement on reserves

	Profit and loss account £
At 29 June 2009	673,258
Retained profit for the period	328,418
	<u>1,001,676</u>
At 2 January 2011	<u>1,001,676</u>

Mark's Club (Charles Street) Limited

Notes forming part of the financial statements
for the period ended 2 January 2011 (*continued*)

14 Reconciliation of movement in shareholder's funds

	79 weeks ended 2 January 2011 £	52 weeks ended 28 June 2009 £
Profit for the financial period	328,418	242,782
Opening shareholders' funds	953,258	710,476
	<hr/>	<hr/>
Closing shareholders' funds	1,281,676	953,258
	<hr/>	<hr/>

15 Commitments under operating leases

As at 2 January 2011, the company had annual commitments under non-cancellable operating leases as set out below

	Land and buildings 2 January 2011 £	Land and buildings 28 June 2009 £
After five years	130,000	130,000
	<hr/>	<hr/>

16 Contingent Liabilities

The intermediate parent company of the entity, MBH Group (UK) Limited is party to a joint loan facility with CH Acquisition Limited, Caprice Properties Limited, Caprice Holdings Limited and MBH Putco Limited, who are related parties as described in the financial statements of that entity. The facility is secured by way of fixed and floating charges over the assets of all of the borrowers and their subsidiaries. At 2 January 2011, the total amount outstanding under the facility was £108.25m (2009: £108.35m).

17 Parent undertaking and controlling party

Mark Birley Holdings Limited, a company incorporated in the United Kingdom is the company's parent undertaking and Makino Limited, a company incorporated in Jersey, is the company's ultimate holding company. R Caring, who owns 100% of the shares in Makino Limited, is the company's ultimate controlling party.

The smallest group in which the results of the company are consolidated is that headed by MBH Group (UK) Limited. A copy of these consolidated accounts may be obtained from the registered office.

Mark's Club (Charles Street) Limited

Notes forming part of the financial statements
for the period ended 2 January 2011 (*continued*)

18 Related party transactions

The company was a subsidiary of Mark Birley Holdings Limited for the entire period under review. As a result the company has taken advantage of the exemption allowed by Financial Reporting Standard No 8, "Related Party Transactions" not to disclose any transactions with entities that share 100% common ownership and are included in the consolidated financial statements of MBH Group (UK) Limited, the immediate parent undertaking of Mark Birley Holdings Limited.

At 2 January 2011 the company was owed £950,000 (28 June 2009 - £949,804) by Caprice Holdings Limited, a company under common control whose results are not included in the consolidated financial statements of MBH Group (UK) Limited. This loan balance is interest-bearing and interest receivable for the period was £18,690 (28 June 2009 - £24,739).