

Company Registered Number: 1913114

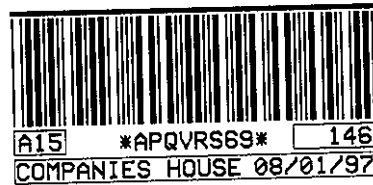
COMPANIES HOUSE

COMPANY No.

Warm Welcome Management Limited

Abbreviated Accounts

30 April 1996



Warm Welcome Management Limited

Abbreviated Accounts

30 April 1996

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Warm Welcome Management Limited

Auditors' Report to the Directors
Pursuant to Paragraph 24 of Schedule 8
To the Companies Act 1985

We have examined the abbreviated accounts on pages 3 to 6 together with the full financial statements of Warm Welcome Management Limited prepared under section 226 of the Companies Act 1985 for the year ended 30 April 1996.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 2 and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled under sections 246, 247 and 249 of the Companies Act 1985 to the exemptions conferred by Section B of Part III of Schedule 8 to that Act, in respect of the year ended 30 April 1996 and the abbreviated accounts on pages 3 to 6 have been properly prepared in accordance with that Schedule.

Other information

On 28 October 1996, we reported as auditors of Warm Welcome Management Limited to the members on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 30 April 1996 and our audit report was as follows:

"We have audited the financial statements on pages 4 to 12.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the 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.

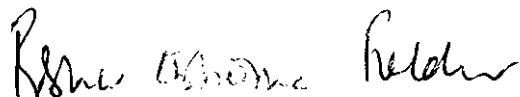
Warm Welcome Management Limited

Auditors Report to the Members (Continued)

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 April 1996 and of its loss for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

In our opinion the directors are entitled under Section 248(1) of the Companies Act 1985 to the exemption from preparing group accounts."



Fisher Osbourne Fielder
The Old Magistrates Court
High Street
Stonehouse
Glos
GL10 2NG

28 October 1996

Accountants & Registered Auditors

Warm Welcome Management Limited

Abbreviated Balance Sheet

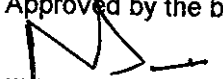
30 April 1996

	Notes	1996 £	1995 £
Fixed Assets			
Tangible assets	2	249,240	332,278
Investments - group undertakings	3	1,084,866	1,681,233
		<u>1,334,106</u>	<u>2,013,511</u>
Current Assets			
Stocks		2,700	10,978
Debtors	4	54,695	1,220
Investments		19,049	21,786
Cash at bank and in hand		356,488	1,580
		<u>432,932</u>	<u>35,564</u>
Creditors - Amounts falling due within one year	5	122,740	136,548
Net Current Assets/(Liabilities)		<u>310,192</u>	<u>(100,984)</u>
Total Assets Less Current Liabilities		<u>1,644,298</u>	<u>1,912,527</u>
Creditors - Amounts falling due after more than one year	8	35,599	35,714
		<u>1,608,699</u>	<u>1,876,813</u>
Capital and Reserves			
Called up share capital	6	100	100
Share premium account		21,980	21,980
Profit and loss account		1,586,619	1,854,733
Shareholders' Funds		<u>1,608,699</u>	<u>1,876,813</u>

We have relied on Section A of Part III of Schedule 8 to the Companies Act 1985 as entitling us to deliver abbreviated financial statements on the grounds that the company is entitled to the benefit of those sections as a small company.

In the preparation of the company's financial statements, the directors have taken advantage of special exemptions applicable to small companies and have done so on the grounds that, in their opinion, the company is entitled to those exemptions as a small company.

Approved by the board on 3 October 1996 and signed on its behalf by


P Davies - Director

Warm Welcome Management Limited

Notes and Accounting Policies

Year Ended 30 April 1996

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 policies have been applied:

(a) **Turnover**

Turnover represents sales at invoice value less trade discounts allowed and excluding value added tax.

(b) **Leases - Lessor**

Assets leased under operating leases are included in tangible fixed assets. Rental income from operating leases is included in the profit and loss account on a straight line basis over the period of the lease.

(c) **Tangible Fixed Assets and Depreciation**

Tangible assets other than freehold property are depreciated over their estimated useful lives, at the following rates:

Leasehold property	Over the term of the lease
Fixtures and fittings	15% reducing balance
Motor vehicles	25% straight line

No depreciation is provided on freehold property. It is the company's policy to maintain its buildings in such condition that the value is not impaired by the passage of time. Such expenditure is charged to the profit in the year in which it is committed. As a consequence, any element of depreciation would, in the opinion of the directors be immaterial, and no provision has been made.

Provision is made for permanent diminutions in the value of freehold properties in the year in which losses are identified.

(d) **Stock**

Stock is stated at the lower of cost and net realisable value using the first in first out method.

(e) **Deferred Taxation**

Provision is made for deferred tax, using the liability method, to the extent that it is probable that a liability will crystallise in the foreseeable future.

(f) **Group Accounts**

Group accounts have not been prepared as the company is entitled to the benefit of Section 248(1) Companies Act 1985.

(g) **Leased Assets**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profit as incurred.

Warm Welcome Management Limited

Notes and Accounting Policies

Year Ended 30 April 1996

2 Fixed Assets - Tangible

£

Cost and valuation

At 1 May 1995	354,120
Additions	17,944
Disposals	(117,339)
At 30 April 1996	<u>254,725</u>

Depreciation

At 1 May 1995	21,842
Charge for year	2,625
Eliminated on disposals	(18,982)
At 30 April 1996	<u>5,485</u>

Net book amounts

At 30 April 1995	<u>332,278</u>
At 30 April 1996	<u>249,240</u>

3 Fixed Assets - Investments in Group Undertakings

	At 1 May 1995 £	Additions £	Disposals £	At 30 April 1996 £
Ordinary shares at cost	249	-	-	249
Loans to subsidiary undertakings	1,674,134	-	(604,217)	1,069,917
Loans to associated undertakings	6,850	7,850	-	14,700
	<u>1,681,233</u>	<u>7,850</u>	<u>(604,217)</u>	<u>1,084,866</u>

Warm Welcome
Hotels Limited
£

Warm Welcome
Hotels (Southern)
Limited
£

Profit on ordinary activities before taxation	<u>146,031</u>	<u>37,060</u>
Aggregate capital and reserves	<u>(36,893)</u>	<u>138,456</u>

Warm Welcome Management Limited

Notes and Accounting Policies

Year Ended 30 April 1996

3 Fixed Assets - Investments In Group Undertakings Continued

The subsidiary undertaking loans are subordinated to those of its subsidiaries' banks.

	Country of Incorporation	Type of Shares	Proportion Held %	Nature of Business
Subsidiary undertakings:-				
Warm Welcome Hotels (Southern) Ltd	England	Ordinary	100	Hotel
Warm Welcome Hotels Limited	England	Ordinary	100	Hotel
Associated undertakings:-				
Princetown Breweries Limited	England	Ordinary	49	Brewery

During the year the company transacted with Warm Welcome Hotels (Southern) Limited and Warm Welcome Hotels Limited to provide management services. The aggregate amount charged in the year was £123,000 relating to services provided for the year to 30 April 1996. These transactions were on normal commercial terms.

4 Debtors

The aggregate amount of debts falling due after more than one year is £Nil (1995 - £Nil).

5 Creditors

Security has been given by the company in respect of £57,896 (1995 - £79,299) of its creditors.

6 Share Capital

There was no change in share capital during the year.

	Authorised	Allotted and fully paid
Ordinary shares of £1 each	100	100

7 Particulars of Transactions Involving Directors

During the year the company paid rent to P Davies, a director, for the Union Inn £6,000 and Halfway House £9,880. The transactions were conducted at open market value on an arms length basis.

8 Bank Loan

The long term bank loan bears interest at 2.5% over base rate per annum and is repayable in annual instalments such as to achieve repayment of the debt over a 7 year period.

	1996 £	1995 £
Debt due after more than one year		
- Repayable between 1-2 years	7,143	7,143
- Repayable between 2-5 years	21,428	21,428
- Repayable in 5 years or more	-	7,143
	<u>28,571</u>	<u>35,714</u>