

Warm Welcome Management Limited

Abbreviated Annual Report

Year Ended 30 April 1998



Warm Welcome Management Limited

Abbreviated Financial Statements

Year Ended 30 April 1998

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Warm Welcome Management Limited

Auditors' Report to the Company

Pursuant to Section 247b of the Companies Act 1985

We have examined the abbreviated accounts on pages 2 to 5, together with the financial statements of the company for the year ended 30 April 1998 prepared under Section 226 of the Companies Act 1985.

Respective Responsibilities of the Directors and the Auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

Basis of Opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.

Fisher Osborne Fielder

Fisher Osborne Fielder

The Old Magistrates Court
High Street
Stonehouse
Glos.
GL10 2NG

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Warm Welcome Management Limited


Abbreviated Balance Sheet

30 April 1998

	Note	1998 £	1997 £
Fixed Assets	2		
Tangible assets		824,248	961,992
Investments		<u>1,344,802</u>	<u>1,263,622</u>
		2,169,050	2,225,614
Current Assets			
Stocks		11,630	14,164
Debtors		87,049	59,072
Investments	3	<u>553,737</u>	<u>43,720</u>
Cash at bank and in hand		<u>3,292</u>	<u>6,236</u>
		655,708	123,192
Creditors: Amounts falling due within one year	4	<u>(416,896)</u>	<u>(251,785)</u>
Net Current Assets/(liabilities)		238,812	(128,593)
Total Assets Less Current Liabilities		<u>2,407,862</u>	<u>2,097,021</u>
Creditors: Amounts falling due after more than one year	5	(706,415)	(444,789)
Provisions For Liabilities and Charges		<u>(3,150)</u>	<u>-</u>
		<u>1,698,297</u>	<u>1,652,232</u>
Capital and Reserves			
Called-up equity share capital	7	107	100
Share premium account		121,873	21,980
Profit and loss account		<u>1,576,317</u>	<u>1,630,152</u>
Shareholders' Funds		<u>1,698,297</u>	<u>1,652,232</u>

These accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities.

These financial statements were approved by the directors on the 3 February 1999 and are signed on their behalf by:



 Mr P Davies
 Director

Warm Welcome Management Limited

Notes to the Abbreviated Financial Statements

Year Ended 30 April 1998

1. Accounting Policies

(a) Basis of Accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities.

(b) Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

(c) Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

(d) Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold Property	- Over the term of the lease
Fixtures & Fittings	- 15% reducing balance
Motor Vehicles	- 25% straight line

(e) Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

(f) Hire Purchase Agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account.

(g) Operating Lease Agreements

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

(h) Deferred Taxation

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

Warm Welcome Management Limited

Notes to the Abbreviated Financial Statements

Year Ended 30 April 1998

2. Fixed Assets

	Tangible Fixed Assets £	Loans & Investments £	Total £
COST			
At 1 May 1997	981,390	1,263,622	2,245,012
Additions	11,209	81,180	92,389
Disposals	(131,905)	-	(131,905)
At 30 April 1998	<u>860,694</u>	<u>1,344,802</u>	<u>2,205,496</u>
DEPRECIATION			
At 1 May 1997	19,398	-	19,398
Charge for year	17,048	-	17,048
At 30 April 1998	<u>36,446</u>	<u>-</u>	<u>36,446</u>
NET BOOK VALUE			
At 30 April 1998	<u>824,248</u>	<u>1,344,802</u>	<u>2,169,050</u>
At 30 April 1997	<u>961,992</u>	<u>1,263,622</u>	<u>2,225,614</u>

4. Creditors: Amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	1998 £	1997 £
Bank loans and overdrafts	<u>159,330</u>	<u>67,987</u>

5. Creditors: Amounts falling due after more than one year

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	1998 £	1997 £
Bank loans and overdrafts	<u>704,000</u>	<u>441,428</u>

Included within creditors falling due after more than one year is an amount of £238,332 (1997 - £300,000) in respect of liabilities which fall due for payment after more than five years from the balance sheet date.

Warm Welcome Management Limited

Notes to the Abbreviated Financial Statements

Year Ended 30 April 1998

6. Transactions With the Directors

The company was controlled throughout the current and previous year by one of the directors, Mr P Davies, by virtue of his 87% holding of the ordinary share capital of the company.

During the year the company paid rent to P Davies in respect of properties owned by him but operated by the company. The rent paid for the year ended 30 April 1998 totalled £25,506.

During the year the company received management charges totalling £194,158 from its subsidiary companies.

During the year the company traded at arms length and on normal commercial terms with its associate company, Princetown Breweries Limited. Purchases totalling £54,124 were made by the group during the year and at 30 April 1998 a total of £7,390 was owed to Princetown Breweries Limited.

7. Share Capital

Authorised share capital:

	1998 £	1997 £
100,000 Ordinary shares of £0.01 each	<u>1,000</u>	<u>100</u>

Allotted, called up and fully paid:

	1998 £	1997 £
Ordinary share capital brought forward	100	100
Issue of ordinary shares	<u>7</u>	<u>-</u>
	<u>107</u>	<u>100</u>

During the year the company issued 666 additional ordinary shares of 1p each. These were fully subscribed for by P Davies, a company director, for £99,900. The shares were allotted to provide the company with additional working capital.