

**BEST SOUTHERN LIMITED**

Company Number: 2752902

**FINANCIAL STATEMENTS**

**FOR THE YEAR TO  
31ST DECEMBER 2006**



**BEST SOUTHERN LIMITED**

**COMPANY INFORMATION**

**DIRECTORS**

Mrs.S E Best  
Mr S.A.Best  
Mrs.S Bell

**SECRETARY**

Mr S.A.Best

**COMPANY NUMBER**

2752902

**REGISTERED OFFICE  
and  
BUSINESS ADDRESS**

Hurtwood Inn Hotel  
Walking Bottom  
Peaslake  
Surrey GU5 9RR

**BEST SOUTHERN LIMITED**

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REPORT OF THE DIRECTORS

The Directors present their annual report and the financial statements for the period ended 31st December 2006

**Principal Activity**

The company's principal activity during the year was that of providing hotel accomodation.

**Directors and their Interests**

The following Directors have held office during the year .

Mrs.S.E.Best

Mr.S A Best

Mrs.S.Bell

The Directors were interested in the share capital of the company by virtue of their share holding in the ultimate parent company, Best Southern Holdings Limited, except Mrs Bell who does not hold any interest.

The interests of Mrs S.E.Best in the parent company at the beginning and end of the year are disclosed in that company's financial statements.

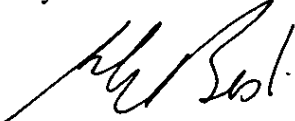
Mr S A Best was interested in 145 Ordinary £1 shares in the parent company.

**Statement of Directors' Responsibilities**

The Directors are responsible for keeping proper accounting records which show with reasonable accuracy at any time the financial position of the company and 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

In preparing the above report, the Directors have taken advantage of special exemptions applicable to small companies provided by the Companies Act 1985 (Part II, Schedule 8).

By order of the board



Mrs.S E.Best  
Director

19th October 2007

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2006

		2006	2005
	Notes	£	£
<b>Turnover</b>		705,494	646,740
Less: Cost of sales		<u>176,406</u>	<u>140,973</u>
<b>Gross profit</b>		529,088	505,767
Administrative expenses and other operating charges		<u>474,607</u>	<u>405,556</u>
<b>Operating profit / -loss</b>	2	54,481	100,211
Interest receivable and similar income	3	<u>881</u>	<u>1,434</u>
		55,362	101,645
Interest payable and similar charges	3	<u>15,686</u>	<u>16,919</u>
<b>Profit/-Loss on ordinary activities before taxation</b>		39,676	84,726
Taxation	4	<u>0</u>	<u>0</u>
<b>Retained Profit/-Loss for the Year</b>		39,676	84,726
<b>Retained profit brought forward</b>		<u>278,423</u>	<u>193,697</u>
<b>Retained profit carried forward</b>	10	<u><u>318,099</u></u>	<u><u>278,423</u></u>

**Continuing Operations**

None of the company's activities were acquired or discontinued during the above two financial years. The turnover and operating profits derive from continuing operations

**Total Recognised Gains and Losses**

The company has no recognised gains or losses other than those stated above

The notes on pages 4 to 6 form part of these financial statements

## BALANCE SHEET

AT 31 DECEMBER 2006

	Notes	2006 £	£	2005 £	£
<b>Fixed Assets</b>					
Tangible assets	5		68,869		61,154
<b>Current Assets</b>					
Stocks		7,713		7,006	
Debtors	6	294,702		215,983	
Cash at bank and in hand		<u>33,239</u>		<u>100,679</u>	
		335,654		323,668	
<b>Creditors: amounts falling due within one year</b>	7	<u>59,181</u>		<u>79,156</u>	
<b>Net Current Assets/-Liabilities</b>			<u>276,473</u>		<u>244,512</u>
<b>Total Assets less Current Liabilities</b>			345,342		305,666
Creditors: amounts due after one year	8		<u>27,241</u>		<u>27,241</u>
<b>Net Assets / -Liabilities</b>			<u>318,101</u>		<u>278,425</u>
<b>Capital and Reserves</b>					
Called up share capital	9		2		2
Profit & Loss Account	10		<u>318,099</u>		<u>278,423</u>
<b>Shareholders' Funds</b>			<u>318,101</u>		<u>278,425</u>

The notes on pages 4 to 6 form part of these financial statements

**Director's Statement**

The company is entitled to take advantage of the total exemption from audit given by Section 249A(1) of the Companies Act 1985 for the year ended 31st December 2006

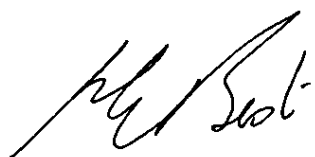
No notice has been deposited by holders of 10% or more of the company's issued share capital requiring the company to obtain an audit of the accounts for the financial year

The directors acknowledge their responsibilities for

- (a) ensuring the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing accounts which give a true and fair view of the affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with Section 226 of the Companies Act 1985

The directors have taken advantage of the exemptions conferred by Part VII of the Companies Act 1985 and have done so on the grounds that in their opinion the company is entitled to these exemptions as a small company

These financial statements were approved by the board of directors



Mrs. S E. Best, Director

19th October 2007

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2006

**1 ACCOUNTING POLICIES**

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year.

**Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with Section 228 and schedule 4 to the Companies Act 1985.

**Depreciation**

Depreciation is provided by the company to write off fixed assets, other than freehold property over its expected useful life as follows.

Plant and Machinery	25% on cost per annum
Fixtures, fittings and equipment	25% on cost per annum

**Turnover**

Turnover represents the net amounts, exclusive of VAT and trade discounts, received by the company for goods and services.

**2 OPERATING PROFIT**

The profit on ordinary activities before taxation	2006	2005
is stated after charging	£	£
Depreciation of tangible assets	23,128	20,385
Director's emoluments	55,183	53,308

**3 INTEREST and SIMILAR ITEMS**

	2006	2005
	£	£
Bank Interest Received	881	1,434
Bank Loan Interest Payable	15,686	16,919

**4 TAXATION**

	2006	2005
	£	£
UK Corporation Tax payable	Nil	Nil

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2006

**5 TANGIBLE FIXED ASSETS**

	Furniture & Fittings £
<b>Cost</b>	
At 1 January 2006	320,133
Additions	30,843
Disposals	<u>0</u>
At 31 December 2006	<u>350,976</u>
<b>Depreciation</b>	
At 1 January 2006	258,979
Charge for the year	23,128
Disposals	<u>0</u>
At 31 December 2006	<u>282,107</u>
<b>Net Book Value</b>	
At 31 December 2006	<u>68,869</u>
At 31 December 2005	<u>61,154</u>

**6 DEBTORS**

	2006 £	2005 £
Trade Debtors	12,367	7,962
Amount due from Group undertakings	282,335	208,021
	<u>294,702</u>	<u>215,983</u>

**7 CREDITORS: Amounts falling due within one year**

	2006 £	2005 £
Trade creditors	26,467	26,612
Taxation and social security	22,431	37,278
Corporation Tax	0	0
Other creditors	10,283	15,266
	<u>59,181</u>	<u>79,156</u>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2006

8 **CREDITORS:** Amounts falling due after one year

	2006	2005
	£	£
Deferred Taxation	<u>27,241</u>	<u>27,241</u>

The deferred taxation provision is in respect of a capital gain arising out of a capital gain in the parent company's financial statement which has been rolled over into the cost of the property now owned by Best Southern Holdings Limited, the parent company

9 **SHARE CAPITAL**

As at 31st December 2006  
and 31st December 2005

		£
<b>Authorised</b>	100,000 Ordinary Shares of £1 each	<u>100,000</u>
<b>Issued</b>	2 Ordinary Shares of £1 each	<u>2</u>

10 **PROFIT & LOSS ACCOUNT**

	2006	2005
	£	£
Balance brought forward	278,423	193,697
Retained Profit / -Loss for the Year	<u>39,676</u>	<u>84,726</u>
Closing balance	<u>318,099</u>	<u>278,423</u>

11 **TRANSACTIONS WITH RELATED PARTIES**

Included within other creditors is an amount of £10,283 (2005 - £14,668) due to Mrs.S.E Best, a Director of the company

12 **POST BALANCE SHEET EVENTS**

The effect of any events relating to the year ended 31st December 2006 which occurred before the date of approval have been included to the extent required to show a true and fair view of the results of that year.

BEST SOUTHERN LIMITED

TRADING PROFIT & LOSS ACCOUNT

FOR THE YEAR TO 31 DECEMBER 2006

	2006		2005	
	£		£	
TURNOVER	705,494		646,740	
Cost of Sales	176,406		140,973	
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GROSS PROFIT	75 00%	529,088	78 20%	505,767
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ADMINISTRATION COSTS				
Wages & Salaries	240,863		196,398	
Directors' Remuneration	57,959		55,894	
Director's Pension	2,100		2,100	
Staff Training	683		1,804	
Commissions Payable	3,260		1,972	
Rates	20,793		22,276	
Insurances	3,160		2,833	
Light & Heat	23,097		19,554	
Cleaning & Laundry	24,303		23,886	
Repairs & Maintenance	41,478		30,465	
Printing, Postage & Stationery	4,695		3,433	
Advertising	3,825		4,323	
Telephone	2,272		753	
Motor Running Expenses	1,301		1,352	
Accountancy	6,000		4,750	
Legal & Professional	2,077		2,025	
Bank Charges	1,274		897	
Credit Card Charges	7,646		6,920	
Other Expenses	4,693		3,536	
Depreciation	23,128	474,607	20,385	405,556
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TOTAL EXPENDITURE		474,607		405,556
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OPERATING PROFIT		54,481		100,211
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