

ABBREVIATED AUDITED ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2010
FOR
COTSWOLD INNS & HOTELS LIMITED

TUESDAY



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COMPANIES HOUSE

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for the year ended 30 September 2010

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COTSWOLD INNS & HOTELS LIMITED

COMPANY INFORMATION
for the year ended 30 September 2010

DIRECTORS:

Mr M T Horton
Mrs P J Horton
Mrs J P Barlow
Mr P Davis

SECRETARY:

Mrs J P Barlow

REGISTERED OFFICE:

Orchard House
Crab Apple Way
Vale Business Park
Evesham
Worcestershire
WR11 1GE

REGISTERED NUMBER:

3309179

AUDITORS:

Phoenix Business Associates Limited
Chartered Certified Accountants
Registered Auditors
The Riding School House
Bulls Lane
Wishaw
Sutton Coldfield
West Midlands
B76 9QW

COTSWOLD INNS & HOTELS LIMITED (REGISTERED NUMBER 3309179)

REPORT OF THE DIRECTORS
for the year ended 30 September 2010

The directors present their report with the accounts of the company for the year ended 30 September 2010

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the ownership and management of hotels and bars. The company has operated seven hotel businesses during the year, all situated within the Cotswolds as follows,

The Bay Tree Hotel, Burford
The Bear of Rodborough Hotel, Stroud
The Broadway Hotel, Broadway
The Manor House Hotel, Moreton in Marsh
The Swan Hotel, Bibury
The Lamb Inn, Burford
The Hare and Hounds Hotel, Tetbury

In addition, the following 2 bars were purchased in July 2009,

Utopia Bar, Birmingham
Bar Epernay, Birmingham

REVIEW OF BUSINESS

The directors are pleased with the results for the year given the difficult trading conditions throughout the hotel industry in general. The weather in February caused difficulties and resulted in some loss in trading. Sales throughout the summer were strong and encouraging. The directors are pleased to announce the refurbishment of the latest addition to the portfolio, 'The Hare and Hounds' with full refurbishment to the bedrooms and public areas. A small amount of refurbishment is left to complete in 2010-2011. The Manor House Hotel continues to grow and returned strong sales during its second year of trading after its closure in July 2007 due to serious flooding. Whilst the directors appreciate the tough climate the industry is in, they look forward to a good year with a strong return on the The Hare & Hounds Hotel and continued growth throughout the rest of the group.

DIVIDENDS

No dividends will be distributed for the year ended 30 September 2010

DIRECTORS

The directors shown below have held office during the whole of the period from 1 October 2009 to the date of this report

Mr M T Horton
Mrs P J Horton
Mrs J P Barlow
Mr P Davis

REPORT OF THE DIRECTORS
for the year ended 30 September 2010

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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,
- 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.

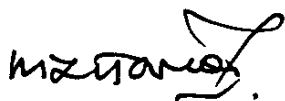
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Phoenix Business Associates Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



Mr M T Horton - Director

21 June 2011

REPORT OF THE INDEPENDENT AUDITORS TO
COTSWOLD INNS & HOTELS LIMITED
UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages five to seventeen, together with the full financial statements of Cotswold Inns & Hotels Limited for the year ended 30 September 2010 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin 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.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section.



David R Hill F C C A (Senior Statutory Auditor)
for and on behalf of Phoenix Business Associates Limited
Chartered Certified Accountants
Registered Auditors
The Riding School House
Bulls Lane
Wishaw
Sutton Coldfield
West Midlands
B76 9QW

21 June 2011

COTSWOLD INNS & HOTELS LIMITED (REGISTERED NUMBER 3309179)

ABBREVIATED PROFIT AND LOSS ACCOUNT
for the year ended 30 September 2010

	Notes	30/9/10 £	30/9/09 £
TURNOVER		12,899,121	11,581,645
Cost of sales		(8,473,584)	(7,355,801)
		<hr/> 4,425,537	<hr/> 4,225,844
Administrative expenses		<hr/> 4,019,652	<hr/> 3,385,169
OPERATING PROFIT	3	405,885	840,675
Interest receivable and similar income		<hr/> 1,746	<hr/> 5,780
		<hr/> 407,631	<hr/> 846,455
Interest payable and similar charges	4	<hr/> 396,912	<hr/> 449,312
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		10,719	397,143
Tax on profit on ordinary activities	5	<hr/> 367	<hr/> 1,214
PROFIT FOR THE FINANCIAL YEAR		<hr/> <hr/> 10,352	<hr/> <hr/> 395,929

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year

The notes form part of these abbreviated accounts

COTSWOLD INNS & HOTELS LIMITED (REGISTERED NUMBER: 3309179)

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
for the year ended 30 September 2010

	30/9/10 £	30/9/09 £
PROFIT FOR THE FINANCIAL YEAR	10,352	395,929
Revaluation of freehold property	-	1,481,137
	<hr/>	<hr/>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>10,352</u>	<u>1,877,066</u>

NOTE OF HISTORICAL COST PROFITS AND LOSSES
for the year ended 30 September 2010

	30/9/10 £	30/9/09 £
REPORTED PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	10,719	397,143
Revaluation of properties	-	1,481,137
	<hr/>	<hr/>
HISTORICAL COST PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	<u>10,719</u>	<u>1,878,280</u>
	<hr/>	<hr/>
HISTORICAL COST PROFIT FOR THE YEAR RETAINED AFTER TAXATION	<u>10,352</u>	<u>1,877,066</u>

The notes form part of these abbreviated accounts

COTSWOLD INNS & HOTELS LIMITED (REGISTERED NUMBER 3309179)

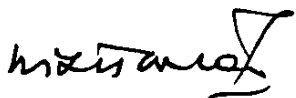
ABBREVIATED BALANCE SHEET
30 September 2010

	Notes	30/9/10 £	30/9/09 £
FIXED ASSETS			
Intangible assets	6	2,953,421	3,134,774
Tangible assets	7	25,112,631	25,165,690
		<u>28,066,052</u>	<u>28,300,464</u>
CURRENT ASSETS			
Stocks	8	187,700	168,703
Debtors	9	669,669	645,119
Cash at bank		594,416	695,597
		<u>1,451,785</u>	<u>1,509,419</u>
CREDITORS			
Amounts falling due within one year	10	7,024,175	6,943,042
NET CURRENT LIABILITIES		<u>(5,572,390)</u>	<u>(5,433,623)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>22,493,662</u>	<u>22,866,841</u>
CREDITORS			
Amounts falling due after more than one year	11	7,318,032	7,701,563
NET ASSETS		<u><u>15,175,630</u></u>	<u><u>15,165,278</u></u>
CAPITAL AND RESERVES			
Called up share capital	15	12,050,000	12,050,000
Revaluation reserve	16	7,048,367	7,048,367
Profit and loss account	16	(3,922,737)	(3,933,089)
SHAREHOLDERS' FUNDS	18	<u><u>15,175,630</u></u>	<u><u>15,165,278</u></u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to medium-sized companies

The financial statements were approved by the Board of Directors on 21 June 2011 and were signed on its behalf by

Mr M T Horton - Director



Mrs P J Horton - Director



The notes form part of these abbreviated accounts

COTSWOLD INNS & HOTELS LIMITED (REGISTERED NUMBER 3309179)

CASH FLOW STATEMENT
for the year ended 30 September 2010

	Notes	30/9/10 £	£	30/9/09 £	£
Net cash inflow from operating activities	1		1,359,833		1,893,221
Returns on investments and servicing of finance	2		(395,166)		(443,532)
Taxation			(1,214)		-
Capital expenditure	2		(918,085)		(1,087,107)
			<u>45,368</u>		<u>362,582</u>
Financing	2		(146,549)		5,959,334
(Decrease)/Increase in cash in the period			<u>(101,181)</u>		<u>6,321,916</u>
<hr/>					
Reconciliation of net cash flow to movement in net debt	3				
(Decrease)/Increase in cash in the period		(101,181)		6,321,916	
Cash outflow/(inflow) from decrease/(increase) in debt and lease financing		<u>146,549</u>		<u>(5,953,564)</u>	
Change in net debt resulting from cash flows			<u>45,368</u>		<u>368,352</u>
Movement in net debt in the period			45,368		368,352
Net debt at 1 October			<u>(11,161,061)</u>		<u>(11,529,413)</u>
Net debt at 30 September			<u>(11,115,693)</u>		<u>(11,161,061)</u>

The notes form part of these abbreviated accounts

COTSWOLD INNS & HOTELS LIMITED (REGISTERED NUMBER: 3309179)

NOTES TO THE CASH FLOW STATEMENT
for the year ended 30 September 2010

1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	30/9/10	30/9/09
	£	£
Operating profit	405,885	840,675
Depreciation charges	1,114,941	1,088,306
Loss/(Profit) on disposal of fixed assets	36,156	(7,400)
Increase in stocks	(18,997)	(50,100)
Increase in debtors	(23,156)	(39,612)
(Decrease)/Increase in creditors	(154,996)	61,352
Net cash inflow from operating activities	1,359,833	1,893,221

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	30/9/10	30/9/09
	£	£
Returns on investments and servicing of finance		
Interest received	1,746	5,780
Interest paid	(396,307)	(448,465)
Interest element of hire purchase payments	(605)	(847)
Net cash outflow for returns on investments and servicing of finance	(395,166)	(443,532)
Capital expenditure		
Purchase of intangible fixed assets	-	(317,750)
Purchase of tangible fixed assets	(935,940)	(777,808)
Sale of tangible fixed assets	17,855	8,451
Net cash outflow for capital expenditure	(918,085)	(1,087,107)
Financing		
New loans in year	-	5,957,655
Loan repayments in year	(141,199)	-
Capital repayments in year	(5,350)	1,679
Net cash (outflow)/inflow from financing	(146,549)	5,959,334

The notes form part of these abbreviated accounts

NOTES TO THE CASH FLOW STATEMENT
for the year ended 30 September 2010

3 ANALYSIS OF CHANGES IN NET DEBT

	At 1/10/09 £	Cash flow £	At 30/9/10 £
Net cash			
Cash at bank	695,597	(101,181)	594,416
	<u>695,597</u>	<u>(101,181)</u>	<u>594,416</u>
 Debt			
Hire purchase	(6,652)	5,350	(1,302)
Debts falling due within one year	(4,149,745)	(241,030)	(4,390,775)
Debts falling due after one year	(7,700,261)	382,229	(7,318,032)
	<u>(11,856,658)</u>	<u>146,549</u>	<u>(11,710,109)</u>
 Total	<u>(11,161,061)</u>	<u>45,368</u>	<u>(11,115,693)</u>

The notes form part of these abbreviated accounts

NOTES TO THE ABBREVIATED ACCOUNTS
for the year ended 30 September 2010

1 ACCOUNTING POLICIES

Basis of preparing the financial statements

The company has net current liabilities at the balance sheet date. However the majority of this is due to bank borrowings which are secured against the various hotel properties. The company enjoys a good working relationship with its bankers and, given that the company has significant overall net assets, the directors believe that the going concern basis of preparation is appropriate.

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Turnover

Turnover represents the amounts (excluding Value Added Tax) derived from the provision of goods and services to customers. It is attributable to one continuing activity which is the principal activity of the company.

Goodwill

Purchased goodwill arising on business combinations in respect of acquisitions before 1 October 1998, when Financial Reporting Standard 10 Goodwill and Intangible assets was adopted, was written off to reserves in the year of acquisition. When a subsequent disposal occurs, any related goodwill previously written off to reserves is written back through the profit and loss account as part of the profit or loss on disposal.

Purchased goodwill (representing the excess of the fair value of the consideration given over the fair value of the separable net assets acquired) arising on business combinations in respect of acquisitions since 1 October 1998 is capitalised. Positive goodwill is amortised to nil by equal annual instalments over its useful life, estimated by the directors, of 20 years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property and land	- 2% on cost
Short leasehold	- over the period of the lease
Fixtures and fittings	- at varying rates on cost
Motor vehicles	- 25% on cost

Freehold land is not depreciated.

Stocks

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

Deferred tax

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by Financial Reporting Standard 19.

Pension costs and other post-retirement benefits

The company has established a company personal pension plan covering all employees. This is a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently managed fund. The pension costs charged in the financial statements represent the contributions payable by the company during the year.

COTSWOLD INNS & HOTELS LIMITED (REGISTERED NUMBER 3309179)

NOTES TO THE ABBREVIATED ACCOUNTS - continued
for the year ended 30 September 2010

2 STAFF COSTS

	30/9/10	30/9/09
	£	£
Wages and salaries	4,726,506	4,138,983
Social security costs	415,658	350,328
Other pension costs	51,732	44,313
	<u>5,193,896</u>	<u>4,533,624</u>

The average monthly number of employees during the year was as follows

	30/9/10	30/9/09
Office management	21	16
Bar & hotel staff	275	220
	<u>296</u>	<u>236</u>

3 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	30/9/10	30/9/09
	£	£
Depreciation - owned assets	934,986	793,099
Loss/(Profit) on disposal of fixed assets	36,156	(7,400)
Goodwill amortisation	181,353	164,692
Auditors' remuneration - Audit fee	14,750	14,750
Auditors' remuneration - Other services	1,750	1,750
	<u>318,167</u>	<u>165,659</u>

Information regarding the highest paid director for the year ended 30 September 2010 is as follows

	30/9/10
	£
Emoluments etc	<u>99,080</u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

	30/9/10	30/9/09
	£	£
Bank loan & overdraft interest	396,307	447,291
HMRC interest	-	1,174
Hire purchase interest	605	847
	<u>396,912</u>	<u>449,312</u>

COTSWOLD INNS & HOTELS LIMITED (REGISTERED NUMBER: 3309179)

**NOTES TO THE ABBREVIATED ACCOUNTS - continued
for the year ended 30 September 2010**

5 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

	30/9/10 £	30/9/09 £
Current tax		
UK corporation tax	367	1,214
	<u>367</u>	<u>1,214</u>
Tax on profit on ordinary activities	<u>367</u>	<u>1,214</u>

6 INTANGIBLE FIXED ASSETS

Goodwill
£

COST

At 1 October 2009

and 30 September 2010

3,585,701

AMORTISATION

At 1 October 2009

Amortisation for year

450,927

181,353

At 30 September 2010

632,280

NET BOOK VALUE

At 30 September 2010

2,953,421

At 30 September 2009

3,134,774

7 TANGIBLE FIXED ASSETS

	Freehold property and land £	Short leasehold £	Fixtures and fittings £	Motor vehicles £	Totals £
COST OR VALUATION					
At 1 October 2009	23,735,584	36,188	6,354,673	75,789	30,202,234
Additions	70,835	650	864,455	-	935,940
Disposals	-	-	(71,419)	-	(71,419)
	<u>23,806,419</u>	<u>36,838</u>	<u>7,147,709</u>	<u>75,789</u>	<u>31,066,755</u>
At 30 September 2010	<u>23,806,419</u>	<u>36,838</u>	<u>7,147,709</u>	<u>75,789</u>	<u>31,066,755</u>
DEPRECIATION					
At 1 October 2009	715,722	182	4,273,710	46,932	5,036,546
Charge for year	297,108	2,229	623,544	12,105	934,986
Eliminated on disposal	-	-	(17,408)	-	(17,408)
	<u>1,012,830</u>	<u>2,411</u>	<u>4,879,846</u>	<u>59,037</u>	<u>5,954,124</u>
At 30 September 2010	<u>1,012,830</u>	<u>2,411</u>	<u>4,879,846</u>	<u>59,037</u>	<u>5,954,124</u>
NET BOOK VALUE					
At 30 September 2010	<u>22,793,589</u>	<u>34,427</u>	<u>2,267,863</u>	<u>16,752</u>	<u>25,112,631</u>
At 30 September 2009	<u>23,019,862</u>	<u>36,006</u>	<u>2,080,963</u>	<u>28,857</u>	<u>25,165,688</u>

NOTES TO THE ABBREVIATED ACCOUNTS - continued
for the year ended 30 September 2010

7 TANGIBLE FIXED ASSETS - continued

Cost or valuation at 30 September 2010 is represented by

	Freehold property and land £	Short leasehold £	Fixtures and fittings £	Motor vehicles £	Totals £
Valuation in 2008	5,567,230	-	-	-	5,567,230
Valuation in 2009	1,481,137	-	-	-	1,481,137
Cost	16,758,052	36,838	7,147,709	75,789	24,018,388
	<u>23,806,419</u>	<u>36,838</u>	<u>7,147,709</u>	<u>75,789</u>	<u>31,066,755</u>

If freehold land and buildings had not been revalued they would have been included at the following historical cost

	30/9/10 £	30/9/09 £
Cost	<u>16,758,052</u>	<u>16,678,217</u>
Aggregate depreciation	<u>411,577</u>	<u>363,105</u>
Value of land in freehold land and buildings	<u>2,216,612</u>	<u>2,216,612</u>

Freehold land and buildings were valued on a market value basis on 1 February 2009 by Messrs Fleurets

8 STOCKS

	30/9/10 £	30/9/09 £
Food and liquor	159,230	146,157
Consumables	28,470	22,546
	<u>187,700</u>	<u>168,703</u>

9 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30/9/10 £	30/9/09 £
Trade debtors	162,729	124,883
Other debtors	36,531	40,538
Other advances	-	50,304
Prepayments and accrued income	470,409	429,394
	<u>669,669</u>	<u>645,119</u>

**NOTES TO THE ABBREVIATED ACCOUNTS - continued
for the year ended 30 September 2010**

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30/9/10 £	30/9/09 £
Bank loans and overdrafts (see note 12)	4,390,775	4,149,745
Hire purchase contracts (see note 13)	1,302	5,350
Trade creditors	1,037,219	1,094,291
Corporation tax payable	367	1,214
Social security and other taxes	531,137	467,967
Other creditors	685,298	845,577
Wages control account	188,908	181,793
Accruals and deferred income	189,169	197,105
	<u>7,024,175</u>	<u>6,943,042</u>

11 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	30/9/10 £	30/9/09 £
Bank loans (see note 12)	7,318,032	7,700,261
Hire purchase contracts (see note 13)	-	1,302
	<u>7,318,032</u>	<u>7,701,563</u>

12 LOANS

An analysis of the maturity of loans is given below

	30/9/10 £	30/9/09 £
Amounts falling due within one year or on demand		
Bank loans	<u>4,390,775</u>	<u>4,149,745</u>
Amounts falling due between one and two years		
Bank loans - 1-2 years	<u>403,578</u>	<u>372,328</u>
Amounts falling due between two and five years		
Bank loans - 2-5 years	<u>1,290,541</u>	<u>1,229,982</u>
Amounts falling due in more than five years		
Repayable by instalments		
Bank loans more 5 yr by instal	<u>5,623,913</u>	<u>6,097,951</u>

COTSWOLD INNS & HOTELS LIMITED (REGISTERED NUMBER 3309179)

NOTES TO THE ABBREVIATED ACCOUNTS - continued
for the year ended 30 September 2010

13 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

	30/9/10	30/9/09
	£	£
Net obligations repayable		
Within one year	1,302	5,350
Between one and five years	-	1,302
	<u>1,302</u>	<u>6,652</u>

14 SECURED DEBTS

The following secured debts are included within creditors

	30/9/10	30/9/09
	£	£
Bank loans	11,708,807	11,850,006
Hire purchase contracts	1,302	6,652
	<u>11,710,109</u>	<u>11,856,658</u>

The bank loans and overdraft are secured by way of a fixed charge over The Lamb Inn, The Swan Hotel, The Manor House Hotel, The Broadway Hotel, The Bay Tree Hotel, The Bear of Rodborough Hotel, 17 Fossey Avenue, Moreton, 2a Frethern Close, Burton, 6 Jubilee Court, Bibury and a floating charge over the company's assets

During the year the company has refinanced its existing borrowings into five new facilities as follows,

Loan 1 - £2,000,000 drawn down in December 2008 Capital repayment holiday until April 2010 Interest fixed at 4.87% per annum until 18th March 2016,
 Loan 2 - £2,000,000 drawn down in January 2009 Capital repayment holiday until May 2010 Interest fixed at 4.65% per annum until 7th April 2014,
 Loan 3 - £2,000,000 drawn down in January 2009 Capital repayment holiday until May 2010 Interest fixed at 4.28% until 10th April 2012 ,
 Loan 4 - £1,850,000 drawn down in February 2009 Capital repayment holiday until June 2010 Interest fixed at base rate plus 1.25% for 180 consecutive months,
 Loan 5 - £4,000,000 drawn down in January 2009 Reviewed in May 2011 so as to be £2,000,000 interest only and £2,000,000 capital and interest repayment Interest charged at base rate plus 1.50% until a specified hotel has been sold Repayments to be made over 180 months

15 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid			30/9/10	30/9/09
Number	Class	Nominal value	£	£
12,050,000	Ordinary	£1	<u>12,050,000</u>	<u>12,050,000</u>

COTSWOLD INNS & HOTELS LIMITED (REGISTERED NUMBER 3309179)

NOTES TO THE ABBREVIATED ACCOUNTS - continued
for the year ended 30 September 2010

16 RESERVES

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 October 2009	(3,933,089)	7,048,367	3,115,278
Profit for the year	10,352		10,352
At 30 September 2010	<u>(3,922,737)</u>	<u>7,048,367</u>	<u>3,125,630</u>

17 ULTIMATE CONTROLLING PARTY

The company recognises its directors as its ultimate controlling party

18 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	30/9/10 £	30/9/09 £
Profit for the financial year	10,352	395,929
Other recognised gains and losses relating to the year (net)	-	1,481,137
Net addition to shareholders' funds	<u>10,352</u>	<u>1,877,066</u>
Opening shareholders' funds	<u>15,165,278</u>	<u>13,288,212</u>
Closing shareholders' funds	<u><u>15,175,630</u></u>	<u><u>15,165,278</u></u>