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COMPANY REGISTRATION NUMBER 254708

GREAT FOSTERS (1931) LIMITED

FINANCIAL STATEMENTS

31 MARCH 2008

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GREAT FOSTERS (1931) LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2008

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GREAT FOSTERS (1931) LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

THE BOARD OF DIRECTORS

J.H.V. Sutcliffe CBE; DL (Chairman)
R.H.M. Raison
J.R.B. Sutcliffe
D. Gardner
J.M. Williams
R. Young
W.J. Plummer

COMPANY SECRETARY

N. Cooksey

REGISTERED OFFICE

Great Fosters
Egham
Surrey
TW20 9UR

AUDITOR

Menzies LLP
Heathrow Business Centre
65 High Street
Egham
Surrey
TW20 9EY

BANKERS

Allied Irish Bank (GB)
Sovereign House
361 King Street
Hammersmith
W6 9NA

GREAT FOSTERS (1931) LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2008

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 March 2008.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was of the operation of a hotel and catering establishment.

The Board has continued its policy of consolidating its business activities. The company during the year started the development of the Coach House, which is planned to be completed by September 2008. This development will allow Great Fosters to provide the latest stand alone conference facilities to its customers and with the enhanced accommodation be well placed to attract future potential business.

RESULTS AND DIVIDENDS

The profit for the year amounted to £186,462. The directors have not recommended a dividend.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

There are no matters concerning financial risk which are material for the assessment of the assets, liabilities, financial position and profit or loss of the company.

DIRECTORS

The directors who served the company during the year were as follows:

J.H.V. Sutcliffe CBE; DL (Chairman)
R.H.M. Raison
J.R.B. Sutcliffe
D. Gardner
J.M. Williams
R. Young
W.J. Plummer

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual 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). The financial statements are required by law to 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 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 proper accounting records that 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 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 so far as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

GREAT FOSTERS (1931) LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2008

AUDITOR

On 1 July 2008, Menzies, the Company's auditors, transferred its business to Menzies LLP, a limited liability partnership incorporated under the Limited Liability Partnership Act 2000. The Company's consent has been given to treat the appointment of Menzies as extending to Menzies LLP with effect from 1 July 2008 under the provisions of section 26(5) of the Companies Act 1989.

Accordingly, a resolution approving the re-appointment of Menzies LLP will be proposed at the forthcoming Annual General Meeting.

Registered office:
Great Fosters
Egham
Surrey
TW20 9UR

Signed by order of the directors



N. Cooksey
Company Secretary

Approved by the directors on 15th September 2008

GREAT FOSTERS (1931) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF GREAT FOSTERS (1931) LIMITED

YEAR ENDED 31 MARCH 2008

We have audited the financial statements of Great Fosters (1931) Limited for the year ended 31 March 2008 on pages 5 to 16, which have been prepared on the basis of the accounting policies set out on pages 9 to 10.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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.

OPINION

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

Heathrow Business Centre
65 High Street
Egham
Surrey
TW20 9EY

20/1/2009

Menzies LLP
MENZIES LLP
Chartered Accountants
& Registered Auditors

GREAT FOSTERS (1931) LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 MARCH 2008

	Note	2008 £	2007 £
TURNOVER	2	5,506,664	5,474,736
Cost of sales		1,121,037	1,061,743
GROSS PROFIT		4,385,627	4,412,993
Administrative expenses		3,934,191	3,708,714
OPERATING PROFIT	3	451,436	704,279
Interest payable and similar charges	6	312,272	343,240
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		139,164	361,039
Tax on profit on ordinary activities	7	(47,298)	(155,706)
PROFIT FOR THE FINANCIAL YEAR		186,462	516,745

All of the activities of the company are classed as continuing.

The notes on pages 9 to 16 form part of these financial statements.

GREAT FOSTERS (1931) LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

YEAR ENDED 31 MARCH 2008

	2008	2007
	£	£
Profit for the financial year attributable to the shareholders	186,462	516,745
Unrealised profit on revaluation of: Investments brought forward	11,746	—
Total gains and losses recognised since the last annual report	<u>198,208</u>	<u>516,745</u>

The notes on pages 9 to 16 form part of these financial statements.

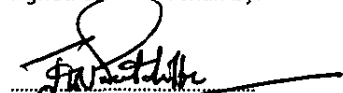
GREAT FOSTERS (1931) LIMITED

BALANCE SHEET

31 MARCH 2008

	Note	2008		2007	
		£	£	£	£
FIXED ASSETS					
Tangible assets	8		6,787,375		7,012,900
Investments	9		250,000		-
			<u>7,037,375</u>		<u>7,012,900</u>
CURRENT ASSETS					
Stocks	10	191,116		168,330	
Debtors	11	546,448		862,681	
Cash at bank and in hand		106,219		188,668	
		<u>843,783</u>		<u>1,219,679</u>	
CREDITORS: Amounts falling due within one year	13	1,186,469		1,277,006	
NET CURRENT LIABILITIES			(342,686)		(57,327)
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>6,694,689</u>		<u>6,955,573</u>
CREDITORS: Amounts falling due after more than one year	14		4,489,811		4,948,903
			<u>2,204,878</u>		<u>2,006,670</u>
CAPITAL AND RESERVES					
Called-up equity share capital	17		19,872		19,872
Revaluation reserve	18		11,746		-
Profit and loss account	19		2,173,260		1,986,798
SHAREHOLDERS' FUNDS	20		<u>2,204,878</u>		<u>2,006,670</u>

These financial statements were approved by the directors and authorised for issue on 15th September 08 and are signed on their behalf by:


J.H.V. Sutcliffe CBE; DL (Chairman)

The notes on pages 9 to 16 form part of these financial statements.

GREAT FOSTERS (1931) LIMITED

CASH FLOW STATEMENT

YEAR ENDED 31 MARCH 2008

	Note	2008 £	£	2007 £	£
NET CASH INFLOW FROM OPERATING ACTIVITIES	21		904,690		601,785
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE					
Interest paid		(312,272)		(343,240)	
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			(312,272)		(343,240)
CAPITAL EXPENDITURE					
Payments to acquire tangible fixed assets		(235,479)		(152,329)	
Receipts from sale of fixed assets		-		600,000	
NET CASH (OUTFLOW)/INFLOW FROM CAPITAL EXPENDITURE			(235,479)		447,671
CASH INFLOW BEFORE FINANCING			356,939		706,216
FINANCING					
Repayment of bank loans		(439,388)		(451,850)	
NET CASH OUTFLOW FROM FINANCING			(439,388)		(451,850)
(DECREASE)/INCREASE IN CASH	21		(82,449)		254,366

The notes on pages 9 to 16 form part of these financial statements.

GREAT FOSTERS (1931) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2008

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets.

The directors note that the company has net current liabilities of £342,686 (2007: £57,327) at the balance sheet date. This is because the company's development project, to which reference is made in note 9 Capital Commitment, is being funded by borrowings from the bank secured on the land and buildings occupied by the company. The project was discussed with the bank before it commenced and the directors embarked upon it with the bank's support.

In view of the bank's involvement in the financial planning for this project the directors hold the view its support will continue and that sufficient funds will be available to ensure liabilities will be met as they fall due during the next 12 months and therefore hold the view it is correct for the accounts to be prepared on the going concern basis.

Turnover

The turnover shown in the profit and loss account represents amounts receivable for goods and services provided during the year in the normal course of business, net of trade discounts, VAT and other sales related taxes.

Fixed assets

All fixed assets are initially recorded at cost.

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:

Fixtures & Fittings	- 20%, 8%, 2% per annum
Motor Vehicles	- 25% per annum
Alterations & additions to premises	- 1% & 5% per annum

Investment properties

Investment properties are included in the balance sheet at their open market value. Although this accounting policy is in accordance with SSAP19, it is a departure from the general requirement of the Companies Act 1985 for all tangible assets to be depreciated. In the opinion of the directors compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation, which might have been charged, but cannot be separately identified or quantified.

Stocks

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

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 on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

GREAT FOSTERS (1931) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2008

1. ACCOUNTING POLICIES *(continued)*

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on a discounted/an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date. Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	2008 £	2007 £
United Kingdom	5,506,664	5,474,736

3. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2008 £	2007 £
Depreciation of owned fixed assets	222,750	294,500
Profit on disposal of fixed assets	-	(150,032)
Auditor's remuneration		
- as auditor	11,720	10,000
Operating lease costs:		
Other	19,872	19,872

GREAT FOSTERS (1931) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2008

4. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to:

	2008 No	2007 No
Full time	80	90
Part time	8	12
	<u>88</u>	<u>102</u>

The aggregate payroll costs of the above were:

	2008 £	2007 £
Wages and salaries	1,936,867	1,915,016
Social security costs	132,331	134,290
Other pension costs	39,304	36,532
Pensions paid to former employees	9,794	5,850
	<u>2,118,296</u>	<u>2,091,688</u>

5. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	2008 £	2007 £
Emoluments receivable	164,556	173,371
Excess retirement benefits funded by the company:		
Pensions to former director	9,794	5,850
	<u>174,350</u>	<u>179,221</u>

The number of directors who accrued benefits under company pension schemes was as follows:

	2008 No	2007 No
Money purchase schemes	<u>1</u>	<u>1</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2008 £	2007 £
Interest payable on bank borrowing	<u>312,272</u>	<u>343,240</u>

7. TAXATION ON ORDINARY ACTIVITIES

Analysis of charge in the year

	2008 £	£	2007 £	£
Deferred tax:				
Origination and reversal of timing differences (note 12)				
Capital allowances	64,491		(126,746)	
Losses	(111,789)		(28,960)	
Total deferred tax (note 12)		<u>(47,298)</u>		<u>(155,706)</u>

No tax is payable for the year because of the availability of tax losses brought forward.

GREAT FOSTERS (1931) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2008

8. TANGIBLE FIXED ASSETS

	Freehold Property £	Furniture and Equipment £	Motor Vehicles £	Development Costs £	Alterations and Additions to Premises £	Total £
COST OR VALUATION						
At 1 Apr 2007	238,254	3,428,624	30,629	165,642	6,568,109	10,431,258
Additions	-	122,226	-	47,610	65,643	235,479
Transfers	(238,254)	-	-	-	-	(238,254)
At 31 Mar 2008	-	3,550,850	30,629	213,252	6,633,752	10,428,483
DEPRECIATION						
At 1 Apr 2007	28,645	2,355,401	25,852	-	1,008,460	3,418,358
Charge for the year	-	162,471	4,777	-	84,147	251,395
Transfers	(28,645)	-	-	-	-	(28,645)
At 31 Mar 2008	-	2,517,872	30,629	-	1,092,607	3,641,108
NET BOOK VALUE						
At 31 Mar 2008	-	1,032,978	-	213,252	5,541,145	6,787,375
At 31 Mar 2007	209,609	1,073,223	4,777	165,642	5,559,649	7,012,900

During the year the directors determined that freehold property should be re-classified as investment land. This treatment was considered more appropriate as the land is held for investment purposes.

Directors' Interests in Transactions during the year relating to Fixed Assets

The company incurred expenditure of £578,397 (2007: £466,871) in the ordinary course of business on the maintenance of premises occupied by the company and held as a "bare trust" on behalf of persons who are also the holders of all the issued share capital of the company.

The company paid a notional rent to each of the shareholders of £1 each per share they held, for the use of the premises occupied by the company.

The bank holds a Third Party Legal Mortgage over these premises in addition to the security referred to in notes 12 and 13.

Asset Impairment Review

In compliance with the requirements of FRS 11, the directors have reviewed the carrying values of the company's fixed assets and hold the view that no further adjustments are necessary to record the carrying value at the recoverable amount.

Capital Commitment

At 31 March 2008 the company had capital commitments of £2,070,225 (2007: £nil) in respect of the re-development of the Coach House.

GREAT FOSTERS (1931) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2008

9. INVESTMENTS

	Investment land £
COST OR VALUATION	
Additions	238,254
Revaluations	11,746
At 31 March 2008	<u>250,000</u>
NET BOOK VALUE	
At 31 March 2008	<u>250,000</u>
At 31 March 2007	<u>-</u>

The investment properties were valued by the Directors on an open market basis as at 31 March 2008.

The investment land shown above is subject to mortgages with the bank to secure the loan and overdraft facilities shown in notes 13 and 14.

10. STOCKS

	2008 £	2007 £
Finished goods	<u>191,116</u>	<u>168,330</u>

11. DEBTORS

	2008 £	2007 £
Trade debtors	202,002	179,960
Corporation tax repayable	384	384
Other debtors	5,931	427,526
Directors current accounts	13,125	16,875
Prepayments and accrued income	122,002	82,230
Deferred taxation (note 12)	203,004	155,706
	<u>546,448</u>	<u>862,681</u>

12. DEFERRED TAXATION

The deferred tax included in the Balance sheet is as follows:

	2008 £	2007 £
Included in debtors (note 11)	<u>203,004</u>	<u>155,706</u>

The movement in the deferred taxation account during the year was:

	2008 £	2007 £
Balance brought forward	155,706	-
Profit and loss account movement arising during the year	47,298	155,706
Balance carried forward	<u>203,004</u>	<u>155,706</u>

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of:

	2008 £	2007 £
Excess of depreciation over taxation allowances	62,255	126,746
Tax losses available	140,749	28,960
	<u>203,004</u>	<u>155,706</u>

GREAT FOSTERS (1931) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2008

13. CREDITORS: Amounts falling due within one year

	2008 £	2007 £
Bank loans	286,809	267,105
Trade creditors	296,032	330,408
PAYE and social security	72,947	67,318
VAT	73,510	104,644
Other creditors	256,908	233,431
Accruals and deferred income	200,263	274,100
	<u>1,186,469</u>	<u>1,277,006</u>

The bank facilities are secured by First Legal Mortgages on the company's land and property and a Mortgage Debenture over all the assets of the company.

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

	2008 £	2007 £
Bank loans	<u>286,809</u>	<u>267,105</u>

14. CREDITORS: Amounts falling due after more than one year

	2008 £	2007 £
Bank loans and overdrafts	<u>4,489,811</u>	<u>4,948,903</u>

The bank facilities are secured by First Legal Mortgages on the company's land and property and a Mortgage Debenture over all the assets of the company.

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

	2008 £	2007 £
Bank loans and overdrafts	<u>4,489,811</u>	<u>4,948,903</u>

The following aggregate liabilities disclosed under creditors falling due after more than one year are due for repayment after more than five years from the balance sheet date:

	2008 £	2007 £
Bank loans and overdrafts	<u>3,057,558</u>	<u>3,684,672</u>

15. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2008 the company had annual commitments under non-cancellable operating leases as set out below.

	Land & Buildings	
	2008 £	2007 £
Operating leases which expire:		
After more than 5 years	<u>19,872</u>	<u>19,872</u>

16. RELATED PARTY TRANSACTIONS

At the year end Mr R Young owed the company £13,125 (2007: £16,875). The maximum amount this Director's current account was overdrawn during the year was £16,875.

GREAT FOSTERS (1931) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2008

17. SHARE CAPITAL

Authorised share capital:

	2008 £	2007 £
20,000 Ordinary shares of £1 each	20,000	20,000

Allotted, called up and fully paid:

	2008 No	£	2007 No	£
Ordinary shares of £1 each	19,872	19,872	19,872	19,872

No one has a majority or controlling interest in the shares of the company.

18. REVALUATION RESERVE

	2008 £	2007 £
Revaluation of fixed assets	11,746	-
Balance carried forward	11,746	-

19. PROFIT AND LOSS ACCOUNT

	2008 £	2007 £
Balance brought forward	1,986,798	1,470,053
Profit for the financial year	186,462	516,745
Balance carried forward	2,173,260	1,986,798

20. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2008 £	2007 £
Profit for the financial year	186,462	516,745
Other net recognised gains and losses	11,746	-
Net addition to shareholders' funds	198,208	516,745
Opening shareholders' funds	2,006,670	1,489,925
Closing shareholders' funds	2,204,878	2,006,670

21. NOTES TO THE STATEMENT OF CASH FLOWS

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2008 £	2007 £
Operating profit	451,436	704,279
Depreciation	251,395	294,500
Profit on disposal of fixed assets	-	(150,032)
Increase in stocks	(22,786)	(5,028)
Decrease/(increase) in debtors	363,531	(348,981)
(Decrease)/increase in creditors	(110,241)	107,047
Write back of depreciation on freehold property	(28,645)	-
Net cash inflow from operating activities	904,690	601,785

GREAT FOSTERS (1931) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2008

21. NOTES TO THE STATEMENT OF CASH FLOWS *(continued)*

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2008		2007
	£	£	£
(Decrease)/increase in cash in the period	(82,449)		254,366
Net cash outflow from bank loans	439,388		451,850
		356,939	706,216
Change in net debt		356,939	706,216
Net debt at 1 April 2007		(5,027,340)	(5,733,556)
Net debt at 31 March 2008		(4,670,401)	(5,027,340)

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Apr 2007 £	Cash flows £	At 31 Mar 2008 £
Net cash:			
Cash in hand and at bank	188,668	(82,449)	106,219
Debt:			
Debt due within 1 year	(267,105)	(19,704)	(286,809)
Debt due after 1 year	(4,948,903)	459,092	(4,489,811)
	(5,216,008)	439,388	(4,776,620)
Net debt	(5,027,340)	356,939	(4,670,401)

22. POST BALANCE SHEET EVENTS

On the basis of a resolution passed at an Extraordinary General Meeting held on 10th January 2008, it is intended to transfer the freehold property, known as Great Fosters Hotel, into the company from the Trust which currently owns and leases it to the company. This transfer is expected to take place during the year ended 31 March 2009.

23. CONTROLLING PARTY

The Director's consider there to be no ultimate controlling party.