

GREAT FOSTERS (1931) LIMITED

FINANCIAL STATEMENTS

31 MARCH 2015

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GREAT FOSTERS (1931) LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

CONTENTS	PAGES
Officers and professional advisers	1
Strategic report	2
Directors' report	3 to 4
Independent auditor's report to the shareholders	5
Profit and loss account	6
Balance sheet	7
Cash flow statement	8 to 9
Notes to the financial statements	10 to 17
The following pages do not form part of the financial statements	
Detailed profit and loss account	19
Notes to the detailed profit and loss account	20

GREAT FOSTERS (1931) LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

THE BOARD OF DIRECTORS

A.H.W. Sutcliffe QC (Chairman)
J.J.R. Raison
R. Young
W.J. Plummer
S.A. Barrett
H.C. Williams
J.F. Field

COMPANY SECRETARY

J. Page

REGISTERED OFFICE

Great Fosters
Egham
Surrey
TW20 9UR

AUDITOR

Menzies LLP
Chartered Accountants
Centrum House
36 Station Road
Egham
Surrey TW20 9LF

BANKERS

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

GREAT FOSTERS (1931) LIMITED

STRATEGIC REPORT

YEAR ENDED 31 MARCH 2015

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

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

The company reported a small increase in its turnover and this combined with improved margins and the scaling back of unprofitable areas of the business dramatically reduced operating losses for the year. It is anticipated that the significant investment that has been made in the last two years in the food and beverage operation will bear fruit from the financial year 2015/16 onwards. Weddings continue to be an important part of the business and forward bookings already indicate that the hotel will hold over two hundred in the next financial year.

PRINCIPAL RISKS AND UNCERTAINTIES

The company's financial instruments comprise borrowings, some cash and liquid resources, and various items, such as trade debtors, trade creditors etc, that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations.

The main risks arising from the company's financial instruments are interest rate risk and liquidity and cash flow risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

Interest rate risk

The company finances its operations through a mixture of retained profits and bank borrowings. The company currently borrows at floating rates of interest which in the board's opinion is sustainable for the next 12 months however they actively monitor the market in conjunction with the bank to manage the company's exposure to interest rate fluctuations.

Liquidity and cash flow risk

The company manages its liquidity risk by structuring their borrowings to ensure repayments are made over a suitable period. Cash Flow risk is managed through daily monitoring of working capital requirements.

KEY FINANCIAL PERFORMANCE INDICATORS

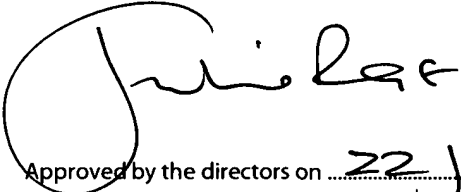
The Board will continue to review the operating performance of the company on a regular basis.

The key performance indicator is EBITDA: debt service, which is measured by the company's bankers (Allied Irish Bank) on an annual basis.

FUTURE DEVELOPMENTS

The Board's primary aim is to reduce debt whilst it continues to look at small development and refurbishment opportunities that will enhance the operation. In due course full consideration will be given to building additional bedrooms for which it has planning permission.

Signed by order of the directors



J. Page
Company Secretary

Approved by the directors on 22 July 2015

GREAT FOSTERS (1931) LIMITED

DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2015

The directors present their report and the financial statements of the company for the year ended 31 March 2015.

RESULTS AND DIVIDENDS

The loss for the year, after taxation, amounted to £119,947. The directors have not recommended a dividend.

DIRECTORS

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

A.H.W. Sutcliffe QC (Chairman)

J.J.R. Raison

R. Young

W.J. Plummer

S.A. Barrett

H.C. Williams

J.F. Field

(Appointed 23 September 2014)

GOING CONCERN

Although the company has made a loss of £119,947 (2014: £263,605) during the year and has net current liabilities at the year end of £1,482,548 (2014: £1,633,461), the fixed assets of the company are valued at historic cost and as the Hotel was gifted to the company, the net asset position does not fully reflect the net realisable value of these assets, which is considered to be significantly higher.

As a result, and with the continued support of its bankers, the Directors are confident that the company has the ability to continue as a going concern for the foreseeable future.

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, Directors' 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). 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 year.

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.

STRATEGIC REPORT

The company has chosen in accordance with Section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out within the company's Strategic Report the Company's Strategic Report Information Required by Schedule 7 of the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulation 2008. This includes information that would have been included in the business review and details of the principal risks and uncertainties.

GREAT FOSTERS (1931) LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2015

AUDITOR

Menzies LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Each of the persons who is a director at the date of approval of this report confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Registered office:
Great Fosters
Egham
Surrey
TW20 9UR

Signed by order of the directors



J. Page
Company Secretary

Approved by the directors on 22 July 2015

GREAT FOSTERS (1931) LIMITED

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

YEAR ENDED 31 MARCH 2015

We have audited the financial statements of Great Fosters (1931) Limited for the year ended 31 March 2015. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's shareholders, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Centrum House
36 Station Road
Egham
Surrey TW20 9LF

30 July 2015

Menzies LLP

JULIE ADAMS FCA (Senior
Statutory Auditor)
For and on behalf of
MENZIES LLP
Chartered Accountants
& Statutory Auditor

GREAT FOSTERS (1931) LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 MARCH 2015

	Note	2015 £	2014 £
TURNOVER	3	6,554,819	6,398,815
Cost of sales		1,275,191	1,405,355
GROSS PROFIT		5,279,628	4,993,460
Administrative expenses		5,220,878	5,075,109
OPERATING PROFIT/(LOSS)	4	58,750	(81,649)
Interest payable and similar charges	7	158,425	224,230
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(99,675)	(305,879)
Tax on loss on ordinary activities	8	20,272	(42,274)
LOSS FOR THE FINANCIAL YEAR		(119,947)	(263,605)

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

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 10 to 17 form part of these financial statements.

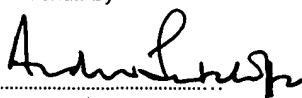
GREAT FOSTERS (1931) LIMITED

BALANCE SHEET

31 MARCH 2015

	Note	2015 £	£	2014 £	£
FIXED ASSETS					
Tangible assets	9		9,261,452		9,687,986
CURRENT ASSETS					
Stocks	10	296,061		332,211	
Debtors	11	278,232		244,280	
Cash in hand		3,303		7,539	
		577,596		584,030	
CREDITORS: Amounts falling due within one year	12	2,060,144		2,217,491	
NET CURRENT LIABILITIES			(1,482,548)		(1,633,461)
TOTAL ASSETS LESS CURRENT LIABILITIES			7,778,904		8,054,525
CREDITORS: Amounts falling due after more than one year	13		5,247,171		5,423,117
PROVISIONS FOR LIABILITIES					
Deferred taxation	14		158,481		138,209
			2,373,252		2,493,199
CAPITAL AND RESERVES					
Called-up equity share capital	18		19,872		19,872
Revaluation reserve			11,746		11,746
Profit and loss account	19		2,341,634		2,461,581
SHAREHOLDERS' FUNDS	20		2,373,252		2,493,199

These accounts were approved by the directors and authorised for issue on 22 July 2015, and are signed on their behalf by:


A.H.W. Sutcliffe QC (Chairman)

Company Registration Number: 00254708

The notes on pages 10 to 17 form part of these financial statements.

GREAT FOSTERS (1931) LIMITED

CASH FLOW STATEMENT

YEAR ENDED 31 MARCH 2015

	2015		2014	
	£	£	£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES		705,359		462,719
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE				
Interest paid	(359,101)		(397,650)	
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		(359,101)		(397,650)
CAPITAL EXPENDITURE				
Payments to acquire tangible fixed assets	(33,613)		(526,521)	
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE		(33,613)		(526,521)
CASH INFLOW/(OUTFLOW) BEFORE FINANCING		312,645		(461,452)
FINANCING				
(Repayment of)/increase in bank loans	(162,253)		236,646	
NET CASH (OUTFLOW)/INFLOW FROM FINANCING		(162,253)		236,646
INCREASE/(DECREASE) IN CASH		150,392		(224,806)
RECONCILIATION OF OPERATING PROFIT/(LOSS) TO NET CASH INFLOW FROM OPERATING ACTIVITIES				
		2015		2014
		£		£
Operating profit/(loss)		58,750		(81,649)
Interest payable		200,676		173,420
Depreciation		460,147		464,116
Decrease/(increase) in stocks		36,150		(85,058)
Increase in debtors		(33,952)		(37,507)
(Decrease)/increase in creditors		(16,412)		29,397
Net cash inflow from operating activities		705,359		462,719

The notes on pages 10 to 17 form part of these financial statements.

GREAT FOSTERS (1931) LIMITED

CASH FLOW STATEMENT

YEAR ENDED 31 MARCH 2015

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2015		2014
	£	£	£
Increase/(decrease) in cash in the period	150,392		(224,806)
Net cash outflow from/(inflow) from bank loans	<u>162,253</u>		<u>(236,646)</u>
		312,645	(461,452)
Change in net debt		312,645	(461,452)
Net debt at 1 April 2014		(6,091,230)	(5,629,778)
Net debt at 31 March 2015		<u>(5,778,585)</u>	<u>(6,091,230)</u>

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Apr 2014 £	Cash flows £	At 31 Mar 2015 £
Net cash:			
Cash in hand and at bank	7,539	(4,236)	3,303
Overdrafts	<u>(350,707)</u>	<u>154,628</u>	<u>(196,079)</u>
	<u>(343,168)</u>	<u>150,392</u>	<u>(192,776)</u>
Debt:			
Debt due within 1 year	(324,945)	(13,693)	(338,638)
Debt due after 1 year	<u>(5,423,117)</u>	<u>175,946</u>	<u>(5,247,171)</u>
	<u>(5,748,062)</u>	<u>162,253</u>	<u>(5,585,809)</u>
Net debt	<u>(6,091,230)</u>	<u>312,645</u>	<u>(5,778,585)</u>

The notes on pages 10 to 17 form part of these financial statements.

GREAT FOSTERS (1931) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

1. Going Concern

The directors note that the company has made a loss of £119,947 (2014: £263,605) during the year and has net current liabilities of £1,482,548 (2014: £1,633,461) at the balance sheet date. The loss during the year has arisen, in part, due to the significant investment in the continuing refurbishment of the hotel but it is anticipated that the benefits will be derived in the future. The net current liability position does not reflect that the land and buildings are valued at historic cost and therefore the financial statements do not reflect the net realisable value of these assets, which is considered to be significantly higher.

The directors consider the above, combined with the continued support of its bankers, will enable liabilities to be met as they fall due during the next twelve months and therefore hold the view it is correct for the accounts to be prepared on the going concern basis.

2. 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.

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 and 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:

Freehold Property	- 2% straight line basis
Furniture & Equipment	- 2%, 10%, 20%, 33.33% straight line basis
Motor Vehicles	- 25% straight line basis

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 2006 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 2015

2. 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:*

Derivative instruments

The company uses interest rate swaps to adjust interest rate exposures.

The company considers its derivative instruments qualify for hedge accounting when certain criteria are met.

The company's criteria for interest rate swaps are:

The instrument must be related to an asset or a liability; and

it must change the character of the interest rate by converting a variable rate to a fixed rate or vice versa.

Interest differentials are recognised by accruing with net interest payable. Interest rate swaps are not revalued to fair value. If they are terminated early, the gain or loss is spread over the remaining maturity of the original instrument.

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.

3. TURNOVER

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

An analysis of turnover is given below:

	2015 £	2014 £
United Kingdom	<u>6,554,819</u>	<u>6,398,815</u>

GREAT FOSTERS (1931) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

4. OPERATING PROFIT/(LOSS)

Operating profit/(loss) is stated after charging:

	2015 £	2014 £
Depreciation of owned fixed assets	460,147	464,116
Auditor's remuneration - as auditor	18,000	14,000

5. PARTICULARS OF EMPLOYEES

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

	2015 No	2014 No
Full time	105	101
Part time	21	24
	126	125

The aggregate payroll costs of the above were:

	2015 £	2014 £
Wages and salaries	2,813,941	2,629,062
Social security costs	195,457	211,952
Other pension costs	69,087	52,653
Pensions paid to former employees	37,640	37,732
	3,116,125	2,931,399

6. DIRECTORS' REMUNERATION

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

	2015 £	2014 £
Remuneration receivable	131,920	128,071
Value of company pension contributions to money purchase schemes	7,980	7,443
Excess retirement benefits funded by the company: Pensions to former director	37,640	37,732
	177,540	173,246

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

	2015 No	2014 No
Money purchase schemes	1	1

7. INTEREST PAYABLE AND SIMILAR CHARGES

	2015 £	2014 £
Interest payable on bank borrowing	158,425	224,230

GREAT FOSTERS (1931) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

8. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2015		2014	
	£	£	£	£
Current tax:				
Corporation tax		-		-
Over/under provision in prior year		-		356
Total current tax				
Deferred tax:				
Origination and reversal of timing differences (note 14)				
Capital allowances	25,171		225,352	
Losses	(3,614)		(268,161)	
Other	(1,285)		179	
		20,272		(42,630)
Total deferred tax (note 14)		20,272		(42,274)

(b) Factors affecting current tax charge

The tax assessed on the loss on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 20% (2014 - 23%).

	2015	2014
	£	£
Loss on ordinary activities before taxation	(99,675)	(305,879)
Loss on ordinary activities by rate of tax	(20,932)	(70,352)
Expenses not deductible for tax purposes	1,349	3,247
Capital allowances for period in excess of depreciation	42,059	16,495
Utilisation of tax losses	(22,476)	50,568
Other short term timing differences	-	42
Over/under provision in prior year	-	356
Total current tax (note 8(a))	-	356

GREAT FOSTERS (1931) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

9. TANGIBLE FIXED ASSETS

	Freehold Land and Property £	Furniture and Equipment £	Motor Vehicles £	Total £
COST				
At 1 April 2014	10,280,830	4,950,974	30,629	15,262,433
Additions	–	33,613	–	33,613
Disposals	(203,324)	(1,999,340)	(30,629)	(2,233,293)
Transfers	224,323	(224,323)	–	–
At 31 March 2015	10,301,829	2,760,924	–	13,062,753
DEPRECIATION				
At 1 April 2014	2,203,079	3,340,739	30,629	5,574,447
Charge for the year	201,037	259,110	–	460,147
On disposals	(203,324)	(1,999,340)	(30,629)	(2,233,293)
Transfers	41,862	(41,862)	–	–
At 31 March 2015	2,242,654	1,558,647	–	3,801,301
NET BOOK VALUE				
At 31 March 2015	8,059,175	1,202,277	–	9,261,452
At 31 March 2014	8,077,751	1,610,235	–	9,687,986

The hotel known as Great Fosters, was owned by a trust and leased to the company until 4 November 2009. On this date, the Trust gifted the hotel to the company for £nil consideration. As a result of this gift, the Alterations and Additions to Premises fixed asset category was transferred to Freehold Land and Property. This transaction also resulted in the transfer of freehold land which was previously held by the company for investment purposes to the Freehold Land and Property tangible fixed asset category.

10. STOCKS

	2015 £	2014 £
Finished goods	296,061	332,211

11. DEBTORS

	2015 £	2014 £
Trade debtors	228,208	132,939
Other debtors	–	29,935
Directors current accounts	–	5,624
Prepayments and accrued income	50,024	75,782
	278,232	244,280

GREAT FOSTERS (1931) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

12. CREDITORS: Amounts falling due within one year

	2015 £	<i>Restated</i> 2014 £
Bank loans and overdrafts	534,717	675,652
Trade creditors	274,728	503,299
PAYE and social security	64,046	49,713
VAT	221,274	198,538
Other creditors	896,574	587,766
Accruals and deferred income	68,805	202,523
	<u>2,060,144</u>	<u>2,217,491</u>

Included in accruals and deferred income is £7,980 (2014: £7,443) in relation to an unpaid pension contribution.

The bank facilities are secured by a first legal mortgage on the company's land and property, a specific charge on the goodwill of the business and a fixed and floating charge over all the assets of the company.

As at the balance sheet date, Other Creditors include amounts for deposits held net of VAT. In the prior year, deposits were held gross and the VAT element was disclosed within the VAT liability. The prior year has been restated in the financial statements for the year ended 31 March 2015 to correctly show deposits held net of VAT.

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

	2015 £	2014 £
Bank loans and overdrafts	<u>534,717</u>	<u>675,652</u>

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

	2015 £	2014 £
Bank loans and overdrafts	<u>5,247,171</u>	<u>5,423,117</u>

The bank facilities are secured by a first legal mortgage on the company's land and property, a specific charge on the goodwill of the business and a fixed and floating charge 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:

	2015 £	2014 £
Bank loans and overdrafts	<u>5,247,171</u>	<u>5,423,117</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 at a rate of 3 month LIBOR + 2.4%:

	2015 £	2014 £
Bank loans and overdrafts	<u>3,914,683</u>	<u>3,781,390</u>

GREAT FOSTERS (1931) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

14. DEFERRED TAXATION

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

	2015 £	2014 £
Provision brought forward	138,209	180,839
Profit and loss account movement arising during the year	20,272	(42,630)
Provision carried forward	<u>158,481</u>	<u>138,209</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2015 £	2014 £
Excess of taxation allowances over depreciation on fixed assets	362,237	337,066
Tax losses available	(200,982)	(197,368)
Other timing differences	(2,774)	(1,489)
	<u>158,481</u>	<u>138,209</u>

15. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2015 the company had annual commitments under non-cancellable operating leases as set out below.

	Assets other than Land and buildings	
	2015 £	2014 £
Operating leases which expire:		
Within 1 year	50	7,379
Within 2 to 5 years	16,506	12,186
After more than 5 years	-	4,320
	<u>16,556</u>	<u>23,885</u>

16. CAPITAL COMMITMENTS

On the 25 April 2014 the company entered into an agreement with HMRC to spend £300,000 per year on maintaining the house and gardens for the next five years in accordance with their Heritage Asset Management Plan.

17. TRANSACTIONS WITH DIRECTORS

At the year end Mr R. Young owed the company £nil (2014: £5,624), with expenses of £nil being paid on Mr R. Young's behalf and £5,624 being repaid to Great Fosters (1931) Limited during the year. The maximum amount this Director's loan account was overdrawn during the year was £5,624 (2014: £7,500).

No interest has been charged on the loan.

GREAT FOSTERS (1931) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

18. SHARE CAPITAL

Allotted and called up:

	2015 No	£	2014 No	£
Ordinary Class A shares fully paid of £1 each	4,968	4,968	4,968	4,968
Ordinary Class B shares fully paid of £1 each	4,968	4,968	4,968	4,968
Ordinary Class C shares fully paid of £1 each	4,968	4,968	4,968	4,968
Ordinary Class D shares fully paid of £1 each	4,968	4,968	4,968	4,968
	<u>19,872</u>	<u>19,872</u>	<u>19,872</u>	<u>19,872</u>

The A, B, C and D Ordinary shares rank pari passu in all respects.

19. PROFIT AND LOSS ACCOUNT

	2015 £	2014 £
Balance brought forward	2,461,581	2,725,186
Loss for the financial year	(119,947)	(263,605)
Balance carried forward	<u>2,341,634</u>	<u>2,461,581</u>

20. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2015 £	2014 £
Loss for the financial year	(119,947)	(263,605)
Opening shareholders' funds	2,493,199	2,756,804
Closing shareholders' funds	<u>2,373,252</u>	<u>2,493,199</u>

21. CONTROLLING PARTY

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