
BANKSIDE HOTELS LIMITED

ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2011

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COMPANIES HOUSE

BANKSIDE HOTELS LIMITED

INDEPENDENT AUDITORS' REPORT TO BANKSIDE HOTELS LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 4 to 8, together with the financial statements of Bankside Hotels Limited for the year ended 31 August 2011 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 444 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.

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 are properly prepared.

OPINION ON FINANCIAL STATEMENTS

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 444(3) of the Companies Act 2006, and the abbreviated accounts on pages 4 to 8 have been properly prepared in accordance with the regulations made under that section.

OTHER INFORMATION

On 12th December 2012 we reported as auditors to the members of the company on the financial statements prepared under section 396 of the Companies Act 2006 and our audit report was as follows:

We have audited the financial statements of Bankside Hotels Limited for the year ended 31 August 2011, set out on pages 5 to 18. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, 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 members those matters we are required to state to them in an 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the Directors' responsibilities statement, 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 Ethical Standards for Auditors.

BANKSIDE HOTELS LIMITED

INDEPENDENT AUDITORS' REPORT TO BANKSIDE HOTELS LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

We planned our audit so as to obtain all the information and explanations 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. However, the company has not obtained a formal valuation of its investment property and as a result we have been unable to judge the reasonableness of its value. Had a valuation been obtained as at 31 August 2011 it may well have shown a value different to that of the carrying value.

QUALIFIED OPINION ON FINANCIAL STATEMENTS ARISING FROM LIMITATION IN AUDIT SCOPE

Except for the financial effects of such adjustments, if any, as might have been determined to be necessary had we been able to satisfy ourselves as to the valuation of the company's investment property, in our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 August 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

In respect solely of the limitation in scope on our work relating to the valuation of the company's investment property

- We have not obtained all the information and explanations that we considered necessary for the purposes of our audit.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

BANKSIDE HOTELS LIMITED

**INDEPENDENT AUDITORS' REPORT TO BANKSIDE HOTELS LIMITED
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

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
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' report

Berg Kaprow Lewis LLP

Steven Hocking-Robinson FCA (Senior statutory auditor)

for and on behalf of
Berg Kaprow Lewis LLP

Chartered Accountants
Statutory Auditor

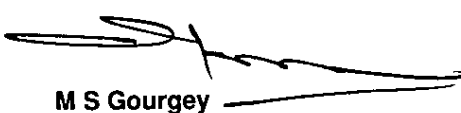
35 Ballards Lane
London
N3 1XW
Date 12-12-12

BANKSIDE HOTELS LIMITED
REGISTERED NUMBER 03214521

ABBREVIATED BALANCE SHEET
AS AT 31 AUGUST 2011

	Note	£	2011 £	£	2010 £
FIXED ASSETS					
Tangible assets	2		16,902,612		17,000,000
Investments	3		21		21
			<u>16,902,633</u>		<u>17,000,021</u>
CURRENT ASSETS					
Debtors amounts falling due after more than one year	4	1,119,243		1,710,540	
Debtors amounts falling due within one year	4	13,413		5,967	
Cash at bank		15,561		17,765	
		<u>1,148,217</u>		<u>1,734,272</u>	
CREDITORS: amounts falling due within one year		<u>(9,963,860)</u>		<u>(11,381,683)</u>	
NET CURRENT LIABILITIES			<u>(8,815,643)</u>		<u>(9,647,411)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>8,086,990</u>		<u>7,352,610</u>
CREDITORS: amounts falling due after more than one year	5		<u>(15,441,529)</u>		<u>(15,671,014)</u>
NET LIABILITIES			<u><u>(7,354,539)</u></u>		<u><u>(8,318,404)</u></u>
CAPITAL AND RESERVES					
Called up share capital	6		100		100
Revaluation reserve			5,531,294		5,531,294
Profit and loss account			<u>(12,885,933)</u>		<u>(13,849,798)</u>
SHAREHOLDERS' DEFICIT			<u><u>(7,354,539)</u></u>		<u><u>(8,318,404)</u></u>

The abbreviated accounts, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006, were approved and authorised for issue by the board and were signed on its behalf on 12 December 2012


M S Gourgey
 Director

The notes on pages 5 to 8 form part of these financial statements

BANKSIDE HOTELS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2011

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention as modified by the revaluation of Investment Properties and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The company is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group accounts. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.3 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost or valuation of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & machinery	- 10% reducing balance
Fixtures & fittings	- 10% reducing balance

1.5 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements.

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

BANKSIDE HOTELS LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2011**

1. ACCOUNTING POLICIES (continued)**1.6 Investment properties**

Investment properties are included in the Balance sheet at their open market value in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the directors, necessary in order to give a true and fair view of the financial position of the company.

1.7 Going concern

The company incurred a profit for the year of £963,865 but had net current liabilities of £9,934,886 and net liabilities of £7,354,539. Post year end the company received a dividend of £9,482,209 from a subsidiary company which brings the balance sheet to a positive net asset position. Additionally the company has a secure source of income and there is a surplus of rent receivable compared with interest payable. Also bank facilities are of a long term nature as detailed in note 5.

The Financial Statements have therefore been prepared on a going concern basis taking the above into account and the support of its subsidiary, which is expected to continue.

2. TANGIBLE FIXED ASSETS

	£
Cost or valuation	
At 1 September 2010 and 31 August 2011	<u>19,260,454</u>
Depreciation	
At 1 September 2010	2,260,454
Charge for the year	<u>97,388</u>
At 31 August 2011	<u>2,357,842</u>
Net book value	
At 31 August 2011	<u>16,902,612</u>
At 31 August 2010	<u>17,000,000</u>

The directors have reviewed the carrying value of the company's property and related assets. The directors believe that the value in the financial statements provides a reasonable reflection of market value as at 31 August 2011.

No depreciation is provided in respect of the investment properties. However depreciation is provided on the attributable plant and fixtures.

BANKSIDE HOTELS LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2011**

3. FIXED ASSET INVESTMENTS

	£
Cost or valuation	
At 1 September 2010 and 31 August 2011	21
Net book value	
At 31 August 2011	21
<i>At 31 August 2010</i>	21

Subsidiary undertakings

The following were subsidiary undertakings of the company

The table below shows the aggregate of the share capital and reserves and of the profit or loss for the year ended for the subsidiary undertakings

The figures for Riverbank Hotels Limited are per the subsidiary's financial statements for the year ended 30 September 2010

The figures for Pedersen (Temple Quay) Limited are per the subsidiary's financial statements for the year ended 31 August 2011

The figures for Pedersen (Newport) Limited are per the financial statements for the year ended 31 December 2010

The figures for Pedersen (Swansea) Limited and Pearl Hotels (Swansea) Limited are per the financial statements for the year ended 31 December 2010

Name	Aggregate of share capital and reserves £	Profit/(loss) £
Riverbank Hotels Limited	15,986,978	11,316,671
Pedersen (Temple Quay) Limited	(4,719,409)	(1,875,372)
Pedersen (Newport) Limited	(2,664,880)	(117,269)
Pedersen (Swansea) Limited	(3,704,523)	(3,329,188)
Pearl Hotels (Swansea) Limited	(1,035,885)	(154,994)

4. DEBTORS

Debtors include £1,119,243 (2010 - £1,710,540) falling due after more than one year

BANKSIDE HOTELS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2011

5. CREDITORS:

Amounts falling due after more than one year

Creditors include amounts not wholly repayable within 5 years as follows

	2011 £	2010 £
Repayable by instalments	-	12,603,183
Repayable other than by instalments	-	2,006,906
	<u>-</u>	<u>14,610,089</u>

The bank loans are secured by a debenture and first legal charge over the company's freehold property

The above bank loans comprise the following

i) A loan of £13,654,369 which is payable in instalments based on a 25 year repayment profile with the balance repayable September 2015 The interest rate on this loan is fixed at 6.69% until September 2015

ii) An interest only loan of £2,007,425 repayable on 1 July 2015 with an interest rate of 1.35% above LIBOR

6. SHARE CAPITAL

	2011 £	2010 £
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

7. CONTINGENT LIABILITIES

The company has provided a guarantee limited to £2 million in respect of the bank borrowings of one of its subsidiaries. Pedersen (Newport) Ltd

The company has also provided a guarantee to secure all interest due and payable on the liabilities of one of its subsidiaries Pedersen (Swansea) Ltd

8. CONTROLLING PARTY

There is no one party which has overall control of the company