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FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002
FOR
BARWORKS LIMITED GROUP ACCOUNTS



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COMPANIES HOUSE 29/01/03

BARWORKS LIMITED GROUP ACCOUNTS

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	4
Consolidated Profit and Loss Account	5
Consolidated Balance Sheet	6
Company Balance Sheet	8
Notes to the Financial Statements	9
Consolidated Trading and Profit and Loss Account	16

BARWORKS LIMITED GROUP ACCOUNTS

COMPANY INFORMATION
FOR THE YEAR ENDED 30 JUNE 2002

DIRECTORS: Mr P.U.M. Franzen
Mr J.A. Akerlund

SECRETARY: Mr P.U.M. Franzen

REGISTERED OFFICE: The Courthouse
Erftstadt Court
Denmark Street
Wokingham
Berkshire
RG40 2YF

REGISTERED NUMBER: 3794021 (England and Wales)

AUDITORS: Raphael Vive & Co.
Registered Auditors &
Chartered Accountants
The Courthouse
Erftstadt Court
Denmark Street, Wokingham
Berkshire RG40 2YF

BANKERS: Barclays Bank plc
Hanover Square Corporate Banking Grp
P.O. Box 15163H
50 Pall Mall
London
SW1A 1QD

BARWORKS LIMITED GROUP ACCOUNTS

REPORT OF THE DIRECTORS **FOR THE YEAR ENDED 30 JUNE 2002**

The directors present their report with the financial statements of the company and the group for the year ended 30 June 2002.

COMMENCEMENT OF TRADING

The Barworks Group was formed on the 15 November 2001, when Barworks Limited acquired the entire share capital of Barworks (Soho) Limited and Barworks (Hoxton) Limited, where there was an existing trade. Barworks (Westbourne) Limited was also acquired on 15 November 2001 although trading did not commence here until 2 January 2002. On 4 February 2002 the share capital of Barworks (Hampstead) Limited was acquired but this company has not traded to date.

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of the running of licensed bars.

DIRECTORS

The directors during the year under review were:

Mr P.U.M. Franzen

Mr J.A. Akerlund

The beneficial interests of the directors holding office on 30 June 2002 in the issued share capital of the company were as follows:

	30.6.02	1.7.01
Ordinary £1 shares		
Mr P.U.M. Franzen	1,500	500
Mr J.A. Akerlund	1,500	500

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing those 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 which disclose with reasonable accuracy at any time the financial position of the company and the group and to 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The auditors, Raphael Vive & Co., will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

BARWORKS (GROUP) LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 JUNE 2002

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:

A large, stylized handwritten signature in black ink, consisting of several sweeping loops and a long horizontal stroke at the end.

Mr P.U.M. Franzen - SECRETARY

Dated: 14 November 2002

BARWORKS LIMITED GROUP ACCOUNTS

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BARWORKS LIMITED GROUP ACCOUNTS

We have audited the financial statements of BARWORKS LIMITED GROUP ACCOUNTS for the year ended 30 June 2002 on pages five to fifteen. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described on page two the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 if, in our opinion, the Report of the Directors is not consistent with the financial statements, if 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 transactions with the company is not disclosed.

We read the Report of the Directors 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 United Kingdom Auditing Standards 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 of the state of affairs of the company and the group as at 30 June 2002 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Raphael Vive & Co.
Registered Auditors &
Chartered Accountants
The Courthouse
Erftstadt Court
Denmark Street, Wokingham
Berkshire RG40 2YF



Dated: 23 December 2002

BARWORKS LIMITED GROUP ACCOUNTS

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2002

<u>2001</u>			<u>2002</u>
£		Notes	£
1,373,754	TURNOVER		1,366,235
<u>520,135</u>	Cost of sales		<u>474,287</u>
853,619	GROSS PROFIT		891,948
<u>700,762</u>	Administrative expenses		<u>832,825</u>
152,857	OPERATING PROFIT	2	59,123
<u>3,749</u>	Interest receivable and similar income		<u>1,956</u>
156,606			61,079
<u>1,683</u>	Interest payable and similar charges		<u>709</u>
154,923	PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		60,370
<u>32,926</u>	Tax on profit on ordinary activities	3	<u>22,484</u>
121,997	PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		37,886
-	Minority interests		
	Minority interest - equity		(11,370)
<u>52,440</u>	Dividends	5	<u>71,000</u>
<u>£69,557</u>	(DEFICIT)/RETAINED PROFIT FOR THE YEAR FOR THE GROUP		<u>£(21,744)</u>

The notes form part of these financial statements

BARWORKS LIMITED GROUP ACCOUNTS

CONSOLIDATED BALANCE SHEET

30 JUNE 2002

2001				2002	
£	£		Notes	£	£
		FIXED ASSETS:			
211,487		Tangible assets	6		240,959
		CURRENT ASSETS:			
	8,980	Stocks		32,674	
	44,060	Debtors	8	80,392	
	<u>269,520</u>	Cash at bank and in hand		<u>114,982</u>	
	322,560			228,048	
	<u>221,395</u>	CREDITORS:			
		Amounts falling due within one year	9	<u>190,872</u>	
<u>101,165</u>		NET CURRENT ASSETS:			<u>37,176</u>
		TOTAL ASSETS LESS CURRENT LIABILITIES:			278,135
312,652		CREDITORS:			
(2,662)		Amounts falling due after more than one year	10		-
		PROVISIONS FOR LIABILITIES AND CHARGES:	12		(4,593)
(3,634)		Minority interests	13		<u>(11,070)</u>
<u>-</u>					
<u>£306,356</u>					<u>£284,612</u>
		CAPITAL AND RESERVES:			
3,000		Called up share capital	14	3,000	
<u>303,356</u>		Profit and loss account	15	<u>281,612</u>	
<u>£306,356</u>		SHAREHOLDERS' FUNDS:			<u>£284,612</u>

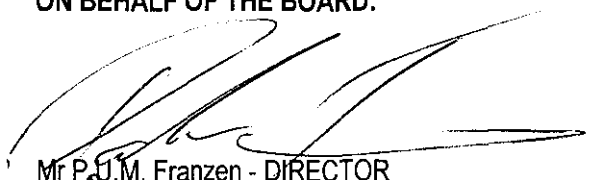
The notes form part of these financial statements

BARWORKS (GROUP) LIMITED

CONSOLIDATED BALANCE SHEET
30 JUNE 2002

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

ON BEHALF OF THE BOARD:



Mr P. J. M. Franzen - DIRECTOR



Mr J. A. Akerlund - DIRECTOR

Approved by the Board on 14 November 2002

The notes form part of these financial statements

COMPANY BALANCE SHEET
30 JUNE 2002

The notes form part of these financial statements

BARWORKS LIMITED GROUP ACCOUNTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

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

Land and buildings	- 2% on cost
Plant and machinery etc	- 33% on cost and 20% on reducing balance

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

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Pensions

The group operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

2. OPERATING PROFIT

The operating profit is stated after charging:

	2002	2001
	£	£
Depreciation - owned assets	25,028	26,279
Auditors remuneration	7,000	-
Pension costs	<u>5,350</u>	<u>2,750</u>
Directors' emoluments and other benefits etc	<u>58,004</u>	<u>63,578</u>

BARWORKS LIMITED GROUP ACCOUNTS

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 30 JUNE 2002**

3. **TAXATION**

Analysis of the tax charge

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

	2002 £	2001 £
Current tax:		
UK corporation tax	21,525	32,682
Deferred tax:		
Deferred taxation	<u>959</u>	<u>244</u>
Tax on profit on ordinary activities	<u>22,484</u>	<u>32,926</u>

4. **PROFIT OF PARENT COMPANY**

As permitted by Section 230 of the Companies Act 1985, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £53,758 (2001 - £0).

5. **DIVIDENDS**

	2002 £	2001 £
Dividends paid	<u>71,000</u>	<u>52,440</u>

6. **TANGIBLE FIXED ASSETS**

Group

	Totals £	Land and buildings £	Plant and machinery etc £
COST:			
At 1 July 2001	311,221	145,597	165,624
Additions	<u>54,499</u>	<u>14,480</u>	<u>40,019</u>
At 30 June 2002	<u>365,720</u>	<u>160,077</u>	<u>205,643</u>
DEPRECIATION:			
At 1 July 2001	99,733	13,682	86,051
Charge for year	<u>25,028</u>	<u>2,742</u>	<u>22,286</u>
At 30 June 2002	<u>124,761</u>	<u>16,424</u>	<u>108,337</u>
NET BOOK VALUE:			
At 30 June 2002	<u>240,959</u>	<u>143,653</u>	<u>97,306</u>
At 30 June 2001	<u>211,488</u>	<u>131,915</u>	<u>79,573</u>

BARWORKS LIMITED GROUP ACCOUNTS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002

7. FIXED ASSET INVESTMENTS

Company

**Shares in
group
undertakings
£**

COST:

Addition

3,700

At 30 June 2002

3,700

NET BOOK VALUE:

At 30 June 2002

3,700

The group or the company's investments at the balance sheet date in the share capital of companies include the following:

Subsidiaries

Barworks (Soho) Limited

Nature of business: Licensed Bar

Class of shares:	%
Ordinary	holding 100.00

	2002	30.9.01
	£	£
Aggregate capital and reserves	188,356	181,341
Profit for the period/year	<u>7,016</u>	<u>21,973</u>

Barworks (Hoxton) Limited

Nature of business: Licensed Bar

Class of shares:	%
Ordinary	holding 100.00

	2002	2001
	£	£
Aggregate capital and reserves	119,025	124,017
Profit for the year	<u>46,009</u>	<u>100,026</u>

BARWORKS LIMITED GROUP ACCOUNTS

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 30 JUNE 2002**

7. FIXED ASSET INVESTMENTS - continued

Barworks (Westbourne) Limited

Nature of business: Licensed Bar

	% holding	2002 £
Class of shares:		
'A' Ordinary(Voting)Shares	100.00	
'B' Ordinary(Non-Voting)Shares	NIL	
Aggregate capital and reserves		(36,901)
Loss for the year		<u>(37,901)</u>

The company was incorporated on 30th August 2001 and commenced trading on 2nd January 2002.

Barworks (Hampstead) Limited

Nature of business:

	% holding	2002 £
Class of shares:		
Ordinary	100.00	
Aggregate capital and reserves		<u>1,000</u>

The Company was incorporated January 2002 and has not traded in the period.

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2002 £	2001 £	2002 £	2001 £
Amounts owed by group undertakings	-	-	5,577	-
Other debtors	5,179	4,782	-	2,325
Deposits	5,427	-	-	-
Directors' current accounts	220	-	460	-
Prepayments	66,066	39,278	-	-
Accruals	3,500	-	116,000	-
	<u>80,392</u>	<u>44,060</u>	<u>122,037</u>	<u>2,325</u>

BARWORKS LIMITED GROUP ACCOUNTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
Bank loans and overdrafts	3,112	10,000	-	-
Trade creditors	94,721	100,643	521	-
Amounts owed to group undertakings	-	-	149,179	33,313
Taxation	21,525	32,682	6,703	-
Social Security & Other Taxes	48,837	45,508	2,606	-
Other creditors	2,440	13,229	7	-
Directors' current accounts	-	-	540	-
Directors' loan accounts	2,710	135	-	-
Accrued expenses	17,527	19,198	1,529	-
	<u>190,872</u>	<u>221,395</u>	<u>161,085</u>	<u>33,313</u>

10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group	
	2002	2001
	£	£
Bank loans - 1-2 years	<u>-</u>	<u>2,662</u>

11. OPERATING LEASE COMMITMENTS

The following payments are committed to be paid within one year:

	Group	
	2002	2001
	£	£
Expiring:		
In more than five years	<u>153,153</u>	<u>80,625</u>

12. PROVISION FOR LIABILITIES AND CHARGES

	Group	
	2002	2001
	£	£
Deferred tax	<u>4,593</u>	<u>3,634</u>

Group

	Deferred tax £
Balance at 1 July 2001	3,634
Accelerated Capital Allowances	<u>959</u>
Balance at 30 June 2002	<u>4,593</u>

BARWORKS LIMITED GROUP ACCOUNTS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002

12. PROVISION FOR LIABILITIES AND CHARGES - continued

Deferred tax provision

	Group	
	2002	2001
	£	£
Deferred taxation	<u>4,593</u>	<u>3,634</u>

13. MINORITY INTERESTS

There is a minority interest in Barworks (Westbourne) Limited. The 300 'B' Ordinary (non voting) shares are not owned by the Group.

14. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value:	2002	2001
			£	£
10,000	Ordinary	£1	<u>10,000</u>	<u>10,000</u>

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2002	2001
			£	£
2,000 (2001 - 1,000)	Ordinary	£1	<u>3,000</u>	<u>3,000</u>

BARWORKS LIMITED GROUP ACCOUNTS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002

15. RESERVES

Group

	Profit and loss account £
At 1 July 2001	303,356
Loss for the year	<u>(21,744)</u>
At 30 June 2002	<u>281,612</u>

Company

	Profit and loss account £
Retained profit for the year	<u>2,758</u>
At 30 June 2002	<u>2,758</u>

16. TRANSACTIONS WITH DIRECTORS

The following loans to directors subsisted during the year ended 30 June 2002:

	£
Mr P.U.M. Franzen	
Balance outstanding at start of year	(2,947)
Balance outstanding at end of year	25,652
Maximum balance outstanding during year	<u>25,652</u>
 Mr J.A. Akerlund	
Balance outstanding at start of year	2,813
Balance outstanding at end of year	22,558
Maximum balance outstanding during year	<u>23,098</u>

The Group is controlled by the directors, who own the entire share capital of the holding company.

17. RELATED PARTY DISCLOSURES

The group have had the following transactions with Regent Street W1 Limited trading as The Holly Bush, a business in which the directors of Barworks Limited are responsible for the day to day running of a licensed bar.

Management charges of £5,302 were charged in the year. Barworks Limited also paid out the salaries and PAYE through their bank account and transfers were made into the account to cover these expenses.

At the year end Holly Bush was owed £6 by the group.

BARWORKS LIMITED GROUP ACCOUNTS

**CONSOLIDATED TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2002**

2001			2002	
£	£		£	£
		Turnover		
	1,373,754	Sales	1,355,683	
	-	Management fees	5,302	
	-	Commissions received	5,250	
1,373,754				1,366,235
		Cost of sales		
	14,995	Opening stock	7,609	
	508,171	Purchases	480,571	
	4,578	Consumables	18,096	
	527,744		506,276	
	(7,609)	Closing stock	(31,989)	
520,135				474,287
853,619		GROSS PROFIT		891,948
		Other income		
	3,749	Deposit account interest		1,956
857,368				893,904
		Expenditure		
	70,000	Rent	81,047	
	48,049	Services, rates & utilities	36,275	
	2,080	Use of residence as office	2,080	
	25,103	Security	34,006	
	62,167	Directors' salaries	56,000	
	6,605	Social security	5,168	
	2,750	Pension contributions	5,350	
	305,843	Wages	375,886	
	20,770	Social security	26,926	
	5,219	Hire of equipment	9,323	
	12,734	Telephone	12,253	
	3,023	Printing, postage & stationery	9,465	
	3,890	Advertising & promotion	2,941	
	-	Computer expenses	1,903	
	5,091	Motor, travel & entertainment	4,769	
	5,517	Insurance	7,168	
	16,949	Repairs and renewals	19,546	
	3,575	Protective clothing	6,052	
	22,985	Laundry & cleaning	28,121	
	4,270	Refuse collection charges	4,370	
	2,018	Music & performance licenses	1,088	
	3,501	Miscellaneous expenses	5,390	
857,368	632,139	Carried forward	735,127	893,904

This page does not form part of the statutory financial statements

BARWORKS LIMITED GROUP ACCOUNTS

**CONSOLIDATED TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2002**

2001			2002	
£	£		£	£
857,368	632,139	Brought forward	735,127	893,904
	17,688	Bookkeeping & payroll	27,415	
	6,854	Legal & professional	19,805	
	-	Auditors remuneration	7,000	
<u>656,681</u>				<u>789,347</u>
200,687				104,557
		Finance costs		
	11,248	Bank charges	9,456	
	6,554	Credit card charges	8,994	
	17	Bank interest	213	
	1,454	Bank loan interest	454	
	212	Other interest	42	
<u>19,485</u>				<u>19,159</u>
181,202				85,398
		Depreciation		
	2,912	Short leasehold	2,742	
	11,280	Plant and machinery	9,684	
	7,856	Fixtures and fittings	8,038	
	4,231	Computer equipment	4,564	
<u>26,279</u>				<u>25,028</u>
<u>£154,923</u>		NET PROFIT		<u>£60,370</u>