

Company Registration No 3794021 (England and Wales)

BARWORKS LIMITED - GROUP ACCOUNTS
ANNUAL REPORT
FOR THE YEAR ENDED 30 JUNE 2012



BARWORKS LIMITED – GROUP ACCOUNTS

DIRECTORS AND ADVISERS

Directors	Mr P U M Franzen Mr J A D Akerlund Mr M A Francis-Baum
Company number	3794021
Registered office	23 Exmouth Market London United Kingdom EC1R 4QL
Auditors	The Taylor Cocks Partnership Limited 3, Acorn Business Centre Northarbour Road Cosham, Portsmouth Hampshire PO6 3TH
Bankers	National Westminster Bank Plc 1 Cavendish Square London W1A 4NU

BARWORKS LIMITED - GROUP ACCOUNTS

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BARWORKS LIMITED - GROUP ACCOUNTS

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2012

The directors present their report and financial statements for the year ended 30 June 2012

Principal activities

The principal activity of the Group in the year under review was that of running licensed bars and restaurants

Each business within the Group comprises a fully equipped licensed bar and restaurant trading from leasehold premises located in and around central London. A sixth bar was added to the Group in the year (The Exmouth Arms) and which reopened after refurbishment in November 2011

Results and dividends

The consolidated profit and loss account for the year is set out on page 5

The Directors are pleased to report another record performance from the Barworks group. All this has been achieved by maintaining focus on the creation and retention of a loyal customer base by a dedicated team of employees providing a high level of customer service and by sound management.

Interim Dividends declared during the year amounted to £354,000 (2011 - £322,500)

Shareholders' funds of Company and Group increased materially by the balance sheet date. All in all and once again, a very satisfactory state of affairs and the more so, given the prevailing general economic conditions.

Future developments

Future plans for the business are to continue to focus on the provision of good food and beverage at reasonable prices and centre on the formation of other subsidiary undertakings operating much in the same way as hitherto with a view to steady expansion, year on year. Irrespective of additional subsidiary undertakings, the Directors anticipate that profits from ordinary activities in the next 12 months will be maintained. In addition, income from management services supplied to associated undertakings and third parties is forecast to rise steadily. Meanwhile, each active venue within the Barworks Group is delivering profits before and after group management charges, once the initial period of bedding in has passed, so that the overall business is going from strength to strength.

The business is now well placed to make further core and strategic investments in the future - partly funded by cash generated within the business and partly by bank finance. Taking all this into account, the Directors remain very optimistic as to the future for this particular business and the results per management accounts for the first quarter of the current financial year and the accuracy of Directors' forecasts to date support this view.

Directors

The following directors have held office since 1 July 2011

Mr P U M Franzen

Mr J A D Akerlund

Mr M A Francis-Baum

Auditors

The auditors, The Taylor Cocks Partnership Limited, are deemed to be reappointed under section 487(2) of the Companies Act 2006

BARWORKS LIMITED - GROUP ACCOUNTS

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2012

Statement of directors' responsibilities

The directors are responsible for preparing the 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 group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to

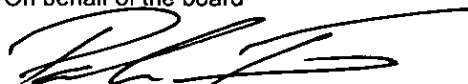
- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the group's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the group's auditors are aware of that information.

On behalf of the board



Mr P U M Franzen

Director

30 November 2012

BARWORKS LIMITED - GROUP ACCOUNTS

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BARWORKS LIMITED - GROUP ACCOUNTS

We have audited the group and parent company financial statements (the "financial statements") of Barworks Limited - Group Accounts for the year ended 30 June 2012 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes. 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 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 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.

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 group's and 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.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and parent company's affairs as at 30 June 2012 and of the group's profit 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

BARWORKS LIMITED- GROUP ACCOUNTS

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF BARWORKS LIMITED – GROUP ACCOUNTS

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, or the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime

Mr Graham Figgins (Senior Statutory Auditor)
for and on behalf of The Taylor Cocks Partnership Limited

7 December 2012

Chartered Accountants
Statutory Auditor

3, Acorn Business Centre
Northarbour Road
Cosham, Portsmouth
Hampshire
PO6 3TH

BARWORKS LIMITED - GROUP ACCOUNTS

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2012

	Notes	2012 £	2011 £
Turnover	2	7,955,669	6,774,817
Cost of sales		(2,480,280)	(2,123,479)
Gross profit		5,475,389	4,651,338
Administrative expenses		(5,127,914)	(4,379,083)
Other operating income		86,929	84,597
Operating profit	3	434,404	356,852
Other interest receivable and similar income		1,515	6,565
Interest payable and similar charges	4	(35,522)	(37,239)
Profit on ordinary activities before taxation		400,397	326,178
Tax on profit on ordinary activities	5	(166,564)	(92,217)
Profit on ordinary activities after taxation		233,833	233,961

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

BARWORKS LIMITED - GROUP ACCOUNTS

BALANCE SHEETS

AS AT 30 JUNE 2012

	Notes	Group 2012 £	2011 £	Company 2012 £	2011 £
Fixed assets					
Intangible assets	8	9,320	9,885	-	-
Tangible assets	9	1,559,510	1,768,330	11,342	12,240
Investments	10	181,410	41,410	4,105	4,105
		<u>1,750,240</u>	<u>1,819,625</u>	<u>15,447</u>	<u>16,345</u>
Current assets					
Stocks	11	70,729	66,575	-	-
Debtors	12	1,062,624	892,945	2,045,358	1,860,222
Cash at bank and in hand		225,523	209,805	955	53,874
		<u>1,358,876</u>	<u>1,169,325</u>	<u>2,046,313</u>	<u>1,914,096</u>
Creditors amounts falling due within one year	13	<u>(1,689,799)</u>	<u>(1,238,768)</u>	<u>(709,442)</u>	<u>(461,679)</u>
Net current liabilities		<u>(330,923)</u>	<u>(69,443)</u>	<u>1,336,871</u>	<u>1,452,417</u>
Total assets less current liabilities		<u>1,419,317</u>	<u>1,750,182</u>	<u>1,352,318</u>	<u>1,468,762</u>
Creditors amounts falling due after more than one year	14	<u>(443,506)</u>	<u>(674,159)</u>	<u>(423,939)</u>	<u>(510,000)</u>
Provisions for liabilities	15	<u>(55,072)</u>	<u>(31,012)</u>	<u>-</u>	<u>-</u>
		<u>920,739</u>	<u>1,045,011</u>	<u>928,379</u>	<u>958,762</u>
Capital and reserves					
Called up share capital	18	3,400	3,408	3,400	3,408
Share premium account	19	77,262	77,262	77,262	77,262
Other reserves	19	8	-	8	-
Profit and loss account	19	840,069	964,341	847,709	878,092
Shareholders' funds		<u>920,739</u>	<u>1,045,011</u>	<u>928,379</u>	<u>958,762</u>

Approved by the Board and authorised for issue on 30 November 2012



Mr P U M Franzen
Director

BARWORKS LIMITED - GROUP ACCOUNTS

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2012

		£	2012 £	£	2011 £
	notes				
Net cash outflow from operating activities	1		1,012,873		632,965
Interest received		1,515		6,565	
Interest paid		(35,522)		(37,239)	
Net cash outflow for returns on investments and servicing of finance			(34,007)		(30,674)
Taxation			(104,441)		(96,768)
Capital expenditure and financial investment					
Payments to acquire tangible assets		(649,411)		(358,429)	
Payments to acquire investments		(140,000)		(40,000)	
Receipts from sales of tangible assets		532,531	(256,880)	-	(398,429)
Equity dividends paid			(354,000)		(322,500)
Net cash outflow before financing			263,545		(215,406)
Financing	2				
Purchase of own shares		(4,100)		-	
New long term loans		150,000		400,000	
Repayment of long term loans		(353,534)		(191,579)	
Increase/(decrease) in Directors' current accounts		(48,337)		50,993	
Capital element of hire purchase contracts		4,084		44,508	
Net cash inflow/(outflow) from financing			(247,827)		303,922
Increase / (decrease) in cash in the year	3		15,718		88,516

BARWORKS LIMITED - GROUP ACCOUNTS

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2012

1	Reconciliation of operating profit to net cash inflow from operating activities	2012	2011
		£	£
	Operating profit	434,404	356,852
	Depreciation of tangible assets	245,256	228,929
	Amortisation of intangible assets	565	565
	Loss on disposal of tangible assets	80,971	40,403
	Increase in stocks	(4,154)	(23,369)
	(Increase)/decrease in debtors	(169,679)	30,587
	Increase in creditors within one year	429,610	(1,002)
	Net cash inflow from operating activities	1,012,873	632,965

2	Analysis of net debt	1 July 2011	Cash flow	Other non-cash changes	30 June 2012
		£	£	£	£
	Net cash				
	Cash at bank and in hand	209,805	15,718	-	225,523
	Finance leases	(46,195)	(4,084)	-	(50,279)
	Debts falling due within one year	(203,827)	(21,022)	-	(224,849)
	Debts falling due after one year	(648,495)	224,556	-	(423,939)
		(898,517)	199,450	-	(699,067)
	Net debt	(688,712)	215,168	-	(473,544)

3	Reconciliation of net cash flow to movement in net debt	2012	2011
		£	£
	Increase in cash in the year	15,718	88,516
	Cash outflow/(inflow) from decrease/(increase) in debt	199,450	(248,762)
	Movement in net debt in the year	215,168	(160,246)
	Opening net debt	(688,712)	(528,466)
	Closing net debt	(473,544)	(688,712)

BARWORKS LIMITED - GROUP ACCOUNTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 30 June 2012. The results of subsidiaries sold or acquired are included in the profit and loss account up to, or from the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

1.4 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.5 Initial Licences

Initial licences are capitalised and written off over the period of the lease.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Leasehold	Over the term of the lease
Plant and machinery	20% per annum on a reducing balance basis
Computer equipment	33% per annum on cost
Fixtures, fittings & equipment	20% per annum on a reducing balance basis

1.7 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the economic useful life of the lease.

1.8 Investments

Fixed asset investments are stated at cost.

1.9 Stock

Stock is valued at the lower of cost and net realisable value.

1.10 Pensions

The Group operates a defined contribution scheme. Contributions payable are charged to the profit and loss account in the year they are payable.

BARWORKS LIMITED - GROUP ACCOUNTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2012

1 Accounting policies (continued)

1 11 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

2 Turnover

The total turnover of the group for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating profit	2012 £	2011 £
Operating loss is stated after charging		
Amortisation of intangible assets	565	565
Depreciation of tangible assets	245,256	228,929
Loss on disposal of tangible assets	80,971	40,405
Operating lease rentals		
- Plant and machinery	40,075	36,537
- Other assets	776,432	506,385
Auditors' remuneration (company £4,800, 2011 £4,850)	21,600	19,400

Depreciation of tangible fixed assets includes £17,677 (2011 - £13,587) in respect of assets held under finance leases or hire purchase contracts.

4 Interest payable	2012 £	2011 £
On bank loans and overdrafts	31,011	31,308
Hire purchase interest	2,663	1,572
Other interest	1,848	4,359
	<u>35,522</u>	<u>37,239</u>

BARWORKS LIMITED - GROUP ACCOUNTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2012

5	Taxation	2012 £	2011 £
	Domestic current year tax		
	U K corporation tax	145,268	106,673
	Adjustment for prior years	(2,232)	5,361
	Total current tax	<u>143,036</u>	<u>112,034</u>
	Deferred tax		
	Movement in deferred tax provision	23,528	(19,817)
		<u>166,564</u>	<u>92,217</u>

6 Profit for the financial year

As permitted by section 408 Companies Act 2006, the holding company's profit and loss account has not been included in these financial statements. The profit for the financial year is made up as follows:

	2012 £	2011 £
Holding company's profit for the financial year	<u>327,722</u>	<u>436,917</u>

7	Dividends	2012 £	2011 £
	"A" Ordinary shares	118,000	107,500
	"B" Ordinary shares	118,000	107,500
	"C" Ordinary shares	118,000	107,500
		<u>354,000</u>	<u>322,500</u>

BARWORKS LIMITED - GROUP ACCOUNTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2012

8 Intangible fixed assets
Group

	Initial Licences £
Cost	
At 1 July 2011 & at 30 June 2012	14,128
Amortisation	
At 1 July 2011	4,243
Charge for the year	565
At 30 June 2012	4,808
Net book value	
At 30 June 2012	9,320
At 30 June 2011	9,885

BARWORKS LIMITED - GROUP ACCOUNTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2012

9 Tangible fixed assets

Group

	Land and buildings Leasehold £	Plant and machinery £	Fixtures, fittings & equipment £	Total £
Cost				
At 1 July 2011	1,577,137	608,768	366,476	2,552,381
Additions	278,175	152,561	218,675	649,411
Disposals	(624,669)	(54,017)	(31,369)	(710,055)
At 30 June 2012	1,230,643	707,312	553,782	2,491,737
Depreciation				
At 1 July 2011	315,344	327,236	141,474	784,054
On disposals	(35,394)	(38,550)	(23,284)	(97,228)
Charge for the year	112,813	78,612	53,976	245,401
At 30 June 2012	392,763	367,298	172,166	932,227
Net book value				
At 30 June 2012	837,880	340,014	381,616	1,559,510
At 30 June 2011	1,261,794	281,528	225,008	1,768,330

Included above are assets held under finance leases or hire purchase contracts as follows

	Plant and machinery £	Fixtures, fittings & equipment £	Total £
Net book values			
At 30 June 2012	75,048	-	75,048
At 30 June 2011	57,031	-	57,031
Depreciation charge for the year			
30 June 2012	15,933	-	15,933
30 June 2011	11,406	-	11,406

BARWORKS LIMITED - GROUP ACCOUNTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2012

Tangible fixed assets

Company

	Plant and machinery	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 1 July 2011	82,442	12,601	95,043
Additions	1,680	-	1,680
At 30 June 2012	84,122	12,601	96,723
Depreciation			
At 1 July 2011	75,853	6,950	82,803
Charge for the year	1,448	1,130	2,578
At 30 June 2012	77,301	8,080	85,381
Net book value			
At 30 June 2012	6,821	4,521	11,342
At 30 June 2011	6,589	5,651	12,240

BARWORKS LIMITED - GROUP ACCOUNTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2012

10 Fixed asset investments Group

	Shares in group undertakings £
Cost	
At 1 July 2011	41,410
Additions	140,000
At 30 June 2012	181,410
Net book value	
At 30 June 2012	181,410
At 30 June 2011	41,410

Company

	Shares in group undertakings £
Cost	
At 1 July 2011 & at 30 June 2012	4,105
Net book value	
At 30 June 2012	4,105
At 30 June 2011	4,105

BARWORKS LIMITED - GROUP ACCOUNTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2012

10 Fixed asset investments

(continued)

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Shares held	
		Class	%
Subsidiary undertakings			
Barworks (Soho) Limited	UK	Ordinary	100
Barworks (Hoxton) Limited	UK	Ordinary	100
Barworks (Islington) Limited	UK	Ordinary	100
Barworks (Clerkenwell) Limited	UK	Ordinary	100
Barworks (Electric) Limited	UK	Ordinary	100
Barworks Investments Limited	UK	Ordinary	100
Barworks (Exmouth) Limited	UK	Ordinary	100
Barworks (Brick Lane) Limited	UK	Ordinary	100
Barworks Group Limited	UK	Ordinary	100
Barworks Boutique Bedrooms Limited	UK	Ordinary	100

The principal activity of these undertakings for the last relevant financial year was as follows

	Principal activity
Barworks (Soho) Limited	Licensed bar
Barworks (Hoxton) Limited	Licensed bar and restaurant
Barworks (Islington) Limited	Licensed bar and restaurant
Barworks (Clerkenwell) Limited	Licensed bar and restaurant
Barworks (Electric) Limited	Licensed bar and restaurant
Barworks Investments Limited	Property investment
Barworks (Exmouth) Limited	Licensed bar and restaurant
Barworks (Brick Lane) Limited	Licensed bar and restaurant
Barworks Group Limited	Dormant
Barworks Boutique Bedrooms Limited	HMO Property

11 Stocks

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Finished goods and goods for resale	70,729	66,575	-	-

BARWORKS LIMITED - GROUP ACCOUNTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2012

12 Debtors

	Group 2012 £	2011 £	Company 2012 £	2011 £
Trade debtors	27,892	48,159	27,892	48,159
Amounts owed by group undertakings	-	-	1,755,901	1,660,401
Deferred tax asset	534	-	534	-
Other debtors	566,805	468,760	238,043	142,483
Prepayments and accrued income	467,393	376,026	22,988	9,179
	<u>1,062,624</u>	<u>892,945</u>	<u>2,045,358</u>	<u>1,860,222</u>

Amounts falling due after more than one year and included in the debtors above are

	2012 £	2011 £	2012 £	2011 £
Amounts owed by group undertakings	-	-	501,035	-
Other debtors	305,100	200,100	75,000	65,000
	<u>305,100</u>	<u>200,100</u>	<u>576,035</u>	<u>65,000</u>

13 Creditors amounts falling due within one year

	Group 2012 £	2011 £	Company 2012 £	2011 £
Bank loans and overdrafts	224,849	203,827	224,849	180,000
Net obligations under finance lease and hire purchase contracts	30,712	20,531	-	-
Trade creditors	615,695	473,029	48,762	30,554
Amounts owed to group undertakings	-	-	122,146	89,464
Corporation tax	145,268	106,673	42,382	12,418
Taxes and social security costs	299,707	217,332	36,754	25,955
Directors current accounts	4,877	53,254	4,877	53,254
Other creditors	302,439	111,885	215,872	48,409
Accruals and deferred income	66,252	52,237	13,800	21,625
	<u>1,689,799</u>	<u>1,238,768</u>	<u>709,442</u>	<u>461,679</u>

BARWORKS LIMITED - GROUP ACCOUNTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2012

14 Creditors amounts falling due after more than one year

	Group 2012 £	2011 £	Company 2012 £	2011 £
Bank loans	423,939	648,495	423,939	510,000
Net obligations under finance leases and hire purchase agreements	19,567	25,664	-	-
	<u>443,506</u>	<u>674,159</u>	<u>423,939</u>	<u>510,000</u>
Analysis of loans				
Wholly repayable within five years	648,788	852,322	648,788	690,000
Included in current liabilities	(224,849)	(203,827)	(224,849)	(180,000)
	<u>423,939</u>	<u>648,495</u>	<u>423,939</u>	<u>510,000</u>
Instalments not due within five years	-	19,360	-	-
	<u>-</u>	<u>19,360</u>	<u>-</u>	<u>-</u>
Net obligations under finance leases and hire purchase contracts				
Repayable within one year	30,712	20,531	-	-
Repayable between one and five years	19,567	25,664	-	-
	<u>50,279</u>	<u>46,195</u>	<u>-</u>	<u>-</u>
Included in liabilities falling due within one year	(30,712)	(20,531)	-	-
	<u>19,567</u>	<u>25,664</u>	<u>-</u>	<u>-</u>

The company has guaranteed the bank borrowings as part of an unlimited group company composite cross guarantee. At 30th June 2012 the total exposure to the group under this arrangement was £430,432 (2011 - £642,517)

BARWORKS LIMITED - GROUP ACCOUNTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2012

15 Provisions for liabilities Group

	Deferred taxation £
Balance at 1 July 2011	31,010
Profit and loss account	24,062
Balance at 30 June 2012	<u>55,072</u>

The deferred tax liability is made up as follows.

	Group 2012 £	2011 £	Company 2012 £	2011 £
Accelerated capital allowances	<u>55,072</u>	<u>31,012</u>	<u>-</u>	<u>-</u>

16 Pension and other post-retirement benefit commitments

Defined contribution

	2012 £	2011 £
Contributions payable by the group for the year	<u>19,576</u>	<u>15,104</u>

17 Secured debts

National Westminster Bank Plc holds a debenture dated 26 February 2007 against the net assets of the Company and against the net assets of all undertakings within the the Barworks group of companies plus a legal charge against the licensed premises of those companies and holds like security against the assets of the Good Life group of companies - all in order to secure borrowings under offset banking arrangements. In addition, personal guarantees of £100,000 each which cover both groups have been given by the Directors.

BARWORKS LIMITED - GROUP ACCOUNTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2012

18 Share capital	2012	2011
	£	£
Allotted, called up and fully paid		
1,190 "A" Ordinary of £1 each	1,190	1,500
1,190 "B" Ordinary of £1 each	1,190	1,500
1,020 "C" Ordinary of £1 each	1,020	408
	3,400	3,408

Dunng the year 4 'A' shares and 4 'B' shares were bought back by the Company and 306 'A' shares and 306 'B' shares were converted into 'C' shares

BARWORKS LIMITED - GROUP ACCOUNTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2012

19 Statement of movements on reserves Group

	Share premium account £	Other reserves (see below) £	Profit and loss account £
Balance at 1 July 2011	77,262	-	964,344
Profit for the year	-	-	233,833
Purchase of own shares	-	-	(4,108)
Dividends paid	-	-	(354,000)
Movement during the year	-	8	-
Balance at 30 June 2012	<u>77,262</u>	<u>8</u>	<u>840,069</u>

Other reserves

Capital redemption reserve

Capital redemption reserve movement

8

Balance at 30 June 2012

8

Company

	Share premium account £	Other reserves (see below) £	Profit and loss account £
Balance at 1 July 2011	77,262	-	878,095
Profit for the year	-	-	327,722
Purchase of own shares	-	-	(4,108)
Dividends paid	-	-	(354,000)
Movement during the year	-	8	-
Balance at 30 June 2012	<u>77,262</u>	<u>8</u>	<u>847,709</u>

Other reserves

Capital redemption reserve

Capital redemption reserve movement

8

Balance at 30 June 2012

8

BARWORKS LIMITED - GROUP ACCOUNTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2012

20 Financial commitments

At 30 June 2012 the group had annual commitments under non-cancellable operating leases as follows

	Land and buildings	Other
	2012	2012
	£	£
Expiry date		
Between two and five years	-	40,075
In over five years	948,500	-
	<u>948,500</u>	<u>40,075</u>

At 30 June 2012 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings	Other
	2012	2012
	£	£
Expiry date		
Between two and five years	-	40,075
	<u>-</u>	<u>40,075</u>

21 Directors' emoluments

	2012	2011
	£	£
Emoluments for qualifying services	22,050	207,828
Company pension contributions to money purchase schemes	13,111	10,604
	<u>35,161</u>	<u>218,432</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 3 (2011- 3)

BARWORKS LIMITED - GROUP ACCOUNTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2012

22 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

2012	2011
Number	Number
125	100

Employment costs

	2012	2011
	£	£
Wages and salaries	1,997,947	1,873,761
Social security costs	152,589	156,372
Other pension costs	19,576	15,104
	<u>2,170,112</u>	<u>2,045,237</u>

BARWORKS LIMITED - GROUP ACCOUNTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2012

23 Related party relationships and transactions

Dividends to Directors

	2012	2011
	£	£
P U M Franzen	118,000	107,500
J A D Akerlund	118,000	107,500
M A Francis-Baum	118,000	107,500
	<u>354,000</u>	<u>322,500</u>

Other transactions

The Directors maintain loan accounts with the Company. At the balance sheet date the amount owed to the Directors was £4,877 (2011 - £53,254).

During the year Barworks Limited charged £215,000 (2011 - £240,000) in management charges to Good Life Group Limited. Balances owed to Good Life Group Limited and its subsidiaries totalled £165,000 (2011 - £29,661) at the balance sheet date. The Good Life group is controlled by the same parties as the Barworks group.

The Directors also hold an interest in the issued share capital of Well Brewed Group Limited and, indirectly, its subsidiary undertaking Camden Town Brewery Limited. During the year the Barworks group bought goods and services to the value of £163,528 from Camden Town Brewery Limited (2011 - £155,440). At the balance sheet date £14,535 was owing to Camden Town Brewery Limited (2011 - £1,878). Loans outstanding to Well Brewed Group Limited at the balance sheet date and which are included in 'Other debtors' amounts receivable after one year were £155,000 (2011 - £105,000).

Cash advances have been made to Track Public Houses Limited, where the Barworks' Directors exert some influence but do not control the company, the amount outstanding at the balance sheet date was static at £83,122 (2011 - £83,122). A provision of 50% has been made against this outstanding amount.

Related party exemption

The company has taken advantage of the exemption available in FRS 8 "Related party disclosures" whereby it has not disclosed transactions with any wholly owned subsidiary undertaking.