

Registered number:
4120043
England & Wales

NEWFEE LIMITED

**Annual Report
and Unaudited Financial Statements**

Year ended 31 December 2008

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Newfee Limited

Annual Report and Unaudited Financial Statements for the year ended 31 December 2008

Contents

Page

1	Report of the Director
2	Profit and Loss Account
3-4	Balance Sheet
5-8	Notes forming part of the financial statements

Director

Mr. Peter Alfred Newman

Secretary

Mr. Terence John Ikel

Registered Office

Chazey Mooring
The Warren
Caversham
Reading RG4 7TQ

Company Number

4120043
(England & Wales)

Newfee Limited

Report of the Director for the year ended 31 December 2008.

The director presents his report together with the unaudited financial statements for the year ended 31 December 2008.

Results

The result for the year is set out in the profit and loss account shown on Page 2 of the financial statements. The profit for the year has been transferred to the accumulated deficit account and the director is unable to recommend the payment of a dividend.

Principal activity

The company's principal activity is the management and operation of a fine dining restaurant, named L'Ortolan, which provides quality food and fine wines to the public.

Director

The director of the company during the year and his interest in the ordinary share capital of the company at 31 December in each year was:

	Ordinary shares of £1 each	
	2008	2007
Mr. Peter Alfred Newman	<u>2,092,468</u>	<u>2,092,468</u>

Company Status

The company is a small company within the meaning of that term as defined by the Companies Act 1985. Accordingly, this report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Signed on behalf of the Board of Directors

P.A.Newman

Director

23 April 2009



Newfee Limited

Profit and Loss Account for the year ended 31 December 2008.

	<u>Notes</u>	<u>2008</u> £	<u>2007</u> £
Turnover	2	1,094,419	1,128,503
Cost of Sales		<u>987,108</u>	<u>1,016,244</u>
Gross Profit		107,311	112,259
Administrative & Distribution expenses		<u>110,242</u>	<u>97,845</u>
Operating (Loss)/Profit	3	(2,931)	14,414
Other income	4	33,159	25,351
Interest payable	5	0	(49,748)
Profit/(Loss) on ordinary activities before taxation		<u>30,228</u>	<u>(9,983)</u>
Taxation - UK Corporation tax	8	0	0
Profit/(Loss) on ordinary activities after taxation for the year	15	<u>30,228</u>	<u>(9,983)</u>
Accumulated deficit at 1 January 2008		(1,863,077)	(1,853,094)
Profit /(Loss) on ordinary activities after taxation for the year		30,228	(9,983)
Dividends paid		0	0
Accumulated deficit at 31 December 2008		<u>(1,832,849)</u>	<u>(1,863,077)</u>

Notes:

Continuing operations.

All of the company's activities in the above two financial years derived from continuing operations.

Total recognised gains and losses.

The company has no recognised gains or losses other than the profit and loss for the above two financial years.

Newfee Limited

Balance Sheet at 31 December 2008.

	<u>Notes</u>	<u>2008</u> £	<u>2007</u> £
Fixed Assets			
Tangible assets	9	<u>1,159,743</u>	<u>1,183,720</u>
Current Assets			
Debtors	10	261,071	131,387
Cash at Bank and in Hand		<u>54,014</u>	<u>84,658</u>
		315,085	216,045
Current Liabilities			
Creditors: Amounts falling due within one year	12	<u>72,088</u>	<u>86,622</u>
Net Current Assets		<u>242,997</u>	<u>129,423</u>
Total Assets less Current Liabilities		<u>1,402,740</u>	<u>1,313,143</u>
Creditors: Amounts falling due after more than one year	13	<u>1,143,121</u>	<u>1,083,752</u>
Net Assets		<u>259,619</u>	<u>229,391</u>
Capital and Reserves			
Called up share capital	14	2,092,468	2,092,468
Accumulated deficit		<u>(1,832,849)</u>	<u>(1,863,077)</u>
Shareholders' Funds	15	<u>259,619</u>	<u>229,391</u>

Newfee Limited

Balance Sheet at 31 December 2008 (Continued).

Director's responsibility statements for the year ended 31 December 2008

The Director has taken advantage of the exemption conferred by Section 249A(1) of the Companies Act 1985 in not having these financial statements audited.

The Director has also confirmed that no notice has been deposited under Section 249B(2) of the Companies Act 1985.

The Director has acknowledged his responsibility for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 December 2008 and of its result for the year then ended in accordance with the requirements of Section 226 of the Companies Act 1985 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Signed on behalf of the Board of Directors

P.A.Newman



Director

These financial statements were approved by the Director on 23 April 2009.

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

Notes forming part of the financial statements for the year ended 31 December 2008.

1 Accounting policies

The following principal accounting policies have been applied on a consistent basis throughout the period under review:

Basis of Accounting

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Cash Flow statement

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective April 2008).

Turnover

Turnover represents sales to external customers at invoiced amounts exclusive of value added tax.

Tangible Fixed Assets & Depreciation

Tangible Fixed assets are stated at cost less attributable depreciation. Depreciation is provided to write off the cost of the asset, less its estimated residual value, if any, over the useful life of the asset on a straight line basis.

The principal depreciation rates applied are as follows:

Catering equipment	10% - 33% pa
Computer equipment	33% pa
Furniture, Fixtures & Fittings	20%-25% pa
Office equipment	25% pa

No depreciation is provided on Freehold land and Buildings.

Crockery, Cutlery, Table linen and Glassware items are not capitalised but are instead treated on a replacement basis and their cost is charged to the profit and loss account in the period in which the cost is incurred.

There is a departure from current accounting standards in respect of depreciation of Freehold Properties. No depreciation has been charged in respect of freehold properties as, in the opinion of, the director, there has been no diminution in the value of the assets.

Deferred Taxation

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the company's financial statements. Deferred tax is provided in full on timing differences which result in an obligation to pay more (or less) tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and legislation.

Deferred tax is not provided in respect of the accumulated corporation tax losses available to the company as, in the opinion of the director, there is no reasonable probability that the company will be able to utilise these tax losses against its future trading profits in the foreseeable future.

Notes forming part of the financial statements for the year ended 31 December 2008.
(Continued)

2 Turnover

Turnover was derived entirely from the company's principal activity which was carried out wholly in the UK and is stated exclusive of Value Added Tax.

3 Operating (Loss)/Profit	<u>2008</u>	<u>2007</u>
The operating (loss)/profit for the year is stated after	£	£
charging the following items:		
Depreciation of fixed assets	<u>27,589</u>	<u>29,622</u>

4 Other Income	<u>2008</u>	<u>2007</u>
Other income is comprised as follows:	£	£
Rental of office space to related company	10,200	6,000
Rental of property as staff accomodation	12,000	12,000
Bank deposit interest	0	6,073
Short term loan interest	10,959	1,278
	<u>33,159</u>	<u>25,351</u>

5 Interest payable	<u>2008</u>	<u>2007</u>
	£	£
In respect of Bank loan	<u>0</u>	<u>49,748</u>

6 Director's Remuneration

The director did not receive any emoluments from the company during the year (2007: £ Nil).

7 Staff Salaries and Benefits

The Company did not employ any staff during the year (2007: None).

8 Taxation

No charge for UK Corporation tax arises by reason of the fact that although the company has made a net trading profit in the year ended 31 December 2008 (2007: Nil), the company has a significant amount of accumulated losses for UK Corporation tax purposes which have been brought forward for possible relief against any taxable trading profits arising in future years. The company will elect to offset any taxable profit in the current year against the losses brought forward and as a result, no Corporation tax liability is expected to arise.

Notes forming part of the financial statements for the year ended 31 December 2008.

(Continued)

9 Tangible Fixed Assets	Freehold Land & Buildings	Furniture & Equipment	Glassware & Cutlery	Total
Cost				
At 1 January 2008	1,084,269	591,846	18,399	1,694,514
Additions during the year	0	3,612	0	3,612
Disposals during the year	0	(0)	(0)	(0)
At 31 December 2008	<u>1,084,269</u>	<u>595,458</u>	<u>18,399</u>	<u>1,698,126</u>
Depreciation				
At 1 January 2008	0	510,794	0	510,794
Charge for the year	0	27,589	0	27,589
Eliminated on disposals	(0)	(0)	(0)	(0)
At 31 December 2008	<u>0</u>	<u>538,383</u>	<u>0</u>	<u>538,383</u>
Net Book Value				
At 31 December 2008	<u>1,084,269</u>	<u>57,075</u>	<u>18,399</u>	<u>1,159,743</u>
At 31 December 2007	<u>1,084,269</u>	<u>81,052</u>	<u>18,399</u>	<u>1,183,720</u>

All of the Fixed Assets are wholly owned and none are subject to finance lease agreements
(2007: None)

10 Debtors	2008 £	2007 £
Debtors comprises of the following:		
Trade debtors	13,072	14,381
Prepaid expenses	8,989	9,687
Other debtors	5,512	7,319
Short term loans (See Note 11)	<u>233,498</u>	<u>100,000</u>
	<u>261,071</u>	<u>131,387</u>

All of the above amounts are receivable within one year.

11 Short Term Loans

The short term loans have been made to a supplier who is under contract to supply both staff and services to the company and who is an integral part of the company's operations. The loans were required for the purpose of providing additional working capital within the supplier's business.

Security for the loans is provided by way of a charge upon a proportion of the equity shareholding in the supplier's company. In the event of any default against the terms of the loan agreements by the borrower, the company has certain rights under the loan agreements which would enable it to acquire a controlling interest in the business of the borrower.

The loans bear interest at a rate which is a fixed percentage above Bank base rate and the interest is payable monthly in arrears. Although the loans have no fixed repayment date, both the lender and the borrower have the right, upon the giving of a specified notice period, to require or make repayments of all or part of the capital outstanding. The loans are therefore capable in certain circumstances of being repaid within 12 months and consequently they are classified as short term loans within these financial statements.

Newfee Limited

Notes forming part of the financial statements for the year ended 31 December 2008.

(Continued)

12	Creditors: Amounts falling due within one year	2008	2007
		£	£
	Short term creditors comprise of the following:		
	Trade creditors	52,377	57,498
	Accrued expenses	1,570	8,989
	Value Added Tax	1,325	4,858
	Other creditors	16,816	15,277
		<u>72,088</u>	<u>86,622</u>
13	Creditors: Amounts falling due after more than one year.	2008	2007
		£	£
	Director's Loan Account	<u>1,143,121</u>	<u>1,083,752</u>

The director's loan is interest free and has no fixed repayment date.

The director has confirmed that it is his intention to continue to provide such financial support as may be required by the company to fund its working capital and operational financial needs and consequently the director will not seek repayment of the loan account for the foreseeable future to the extent that it would adversely impact upon the company's trading operations.

14	Share Capital	2008	2007
		£	£
	Authorised		
	5,000,000 Ordinary shares of £1 each	<u>5,000,000</u>	<u>5,000,000</u>
	Allotted, Called-up and Fully Paid		
	2,092,468 Ordinary shares of £1 each	<u>2,092,468</u>	<u>2,092,468</u>
15	Reconciliation of Movements in Shareholders' Funds	2008	2007
		£	£
	Funds brought forward at 1 January	229,391	239,374
	Profit/(Loss) for the year	<u>30,228</u>	<u>(9,983)</u>
	Shareholders' Funds as at 31 December	<u>259,619</u>	<u>229,391</u>

- 16 Transactions with related party**
 During the year, the company purchased services to the value of £28,435 (2007 - £43,189) from Panadea Limited a company in which Mr P.A.Newman is materially interested as a majority shareholder. The services were purchased on a normal arms length trading basis.

- 16 Ultimate Controlling Party**
 The company is controlled by Mr. P.A.Newman, the director, by virtue of his 100% sole shareholding.