

333 ESTATES LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30TH SEPTEMBER 2009

Registered Number: 03205737



333 ESTATES LIMITED

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 2009

DIRECTORS: A G B Langlands Pearse
S T Prideaux (Resigned 1 May 2009)

REGISTERED OFFICE: 17 Mossop Street
London
SW3 2LY

BANKERS: Bank of Scotland
Level 7
Bishopsgate Exchange
155 Bishopsgate
London
EC2M 3YB

AUDITORS: haysmacintyre
Fairfax House
15 Fulwood Place
London WC1V 6AY

333 ESTATES LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 2009

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333 ESTATES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30TH SEPTEMBER 2009

The directors present their report together with financial statements for the year ended 30 September 2009

PRINCIPAL ACTIVITIES

The company is principally engaged in the operation and expansion of its neighbourhood restaurant business concept

BUSINESS REVIEW

There was a profit for the year after taxation amounting to £43,252 (2008 Loss of £1,073,007) The directors do not recommend a final dividend

POLITICAL AND CHARITABLE DONATIONS

The Company made charitable donations during the year of £3,333 (2008 £Nil)

DIRECTORS

The directors holding office during the year were

A G B Langlands Pearse
S T Prideaux

(Resigned 1 May 2009)

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 profit or loss of the company for that period In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments 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

AUDIT INFORMATION

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware

The directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

333 ESTATES LIMITED

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 30TH SEPTEMBER 2009

AUDITORS

In accordance with Section 485 of the Companies Act 2006, a resolution proposing the reappointment of haysmacintyre as auditors to the company will be put to the annual general meeting

Approved by the Board of Directors at its meeting on 27 April 2010 and signed on its behalf by

A handwritten signature in black ink, appearing to be 'A. Langlands Pearse', written over a horizontal line.

A Langlands Pearse
Director

17 Mossop Street
London
SW3 2LY

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF 333 ESTATES LIMITED

We have audited the financial statements of 333 Estates Limited for the year ended 30 September 2009 which comprise the Profit and Loss Account, the Balance Sheet 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 Section 495 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 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 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 set out on page 1, 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 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 company's affairs as at 30 September 2009 and of its 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.

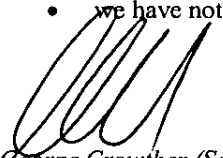
Opinion on other matter prescribed by the Companies Act 2006

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.

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.


George Crowther (Senior statutory auditor)
for and on behalf of haysmacintyre, Statutory Auditor

27 April 2010

Fairfax House
15 Fulwood Place
London
WC1V 6AY

333 ESTATES LIMITED**PROFIT AND LOSS ACCOUNT****YEAR ENDED 30TH SEPTEMBER 2009**

	Note	Total 2009 £	2008 £
TURNOVER	1	3,187,875	2,554,491
COST OF SALES		(1,084,270)	(905,732)
GROSS PROFIT		2,103,605	1,648,759
Administrative expenses		(1,821,669)	(1,740,998)
OPERATING PROFIT/(LOSS) BEFORE DEPRECIATION		281,936	(92,239)
Depreciation		(182,559)	(98,325)
OPERATING PROFIT/(LOSS)	2	99,377	(190,564)
EXCEPTIONAL ITEMS			
Loss on sale of discontinued operation		-	(804,970)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE INTEREST		99,377	(995,534)
Other income		132	-
Other interest receivable and similar income		1,523	9,909
Interest payable and similar charges	4	(133,898)	(146,909)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(32,866)	(1,132,534)
Tax on loss on ordinary activities	6	76,118	59,527
PROFIT/(LOSS) FOR THE YEAR		43,252	(1,073,007)

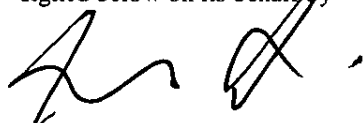
All recognised gains and losses are included in the profit and loss account

BALANCE SHEET

AS AT 30TH SEPTEMBER 2009

	Note	2009 £	2008 £
FIXED ASSETS			
Tangible fixed assets at cost less accumulated depreciation	7	1,933,470	2,030,794
CURRENT ASSETS			
Stocks	8	69,448	81,014
Debtors	9	103,403	242,341
Deferred tax asset	10	125,061	125,061
Cash at bank and in hand		140,558	28,066
		<u>438,470</u>	<u>476,482</u>
CREDITORS: amounts falling due within one year	11	<u>(3,546,023)</u>	<u>(3,595,729)</u>
NET CURRENT LIABILITIES		<u>(3,107,553)</u>	<u>(3,119,247)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(1,174,083)</u>	<u>(1,088,453)</u>
CREDITORS amounts falling due after more than one year	12	-	-
PROVISIONS FOR LIABILITIES AND CHARGES	13	<u>(147,668)</u>	<u>(276,550)</u>
		<u>£(1,321,751)</u>	<u>£(1,365,003)</u>
CAPITAL AND RESERVES			
Called up share capital	14	100,000	100,000
Profit and loss account	15	<u>(1,421,751)</u>	<u>(1,465,003)</u>
SHAREHOLDERS' DEFICIT	16	<u>£(1,321,751)</u>	<u>£(1,365,003)</u>

The financial statements were approved and authorised for issue by the Board of Directors on 27 April 2010 and were signed below on its behalf by



A Langlands Pearse

333 ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH SEPTEMBER 2009

1. ACCOUNTING POLICIES

a) Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention

The adoption of the going concern basis is dependent upon the continued support of the company's parent, 333 Holdings Limited. The directors have obtained assurances from 333 Holdings Limited that the parent company will provide sufficient funds to enable 333 Estates Limited to meet its liabilities as and when they fall due for the foreseeable future

b) Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts including rental income from sub-let space at the operating site

c) Tangible fixed assets and depreciation

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets by equal annual instalments over their expected useful lives. The rates generally applicable are

Leasehold buildings	The period of the lease based upon estimates of lease amortisation rates
Plant and machinery	25% straight line basis
Motor Vehicles	25% straight line basis
Fixtures and fittings	10-25% straight line basis

d) Stocks

Stocks are stated at the lower of cost and net realisable value

e) Deferred taxation

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance date

f) Leased assets

Operating leases and the payments made there under are charged to the profit and loss account on a straight-line basis over the lease term

g) Cashflow statement

The company has taken advantage of the exemptions in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company

h) Grants

Grants relating to tangible fixed assets are deducted from the cost of the fixed asset in line with the acceptable treatment in Statement of Standard Accounting Practice 4

2. OPERATING PROFIT/(LOSS)

Operating profit/(loss) is stated after

	2009 £	2008 £
Depreciation and amortisation		
Tangible fixed assets, owned	112,235	98,325
Auditors' remuneration	8,750	10,500
Other operating lease rentals	221,183	216,135

333 ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30TH SEPTEMBER 2009

3. INTEREST PAYABLE AND SIMILAR CHARGES

	2009 £	2008 £
Other interest payable and similar charges	£133,898	£146,909

4. DIRECTORS AND EMPLOYEES

Staff costs during the year were as follows

Wages and salaries	830,997	708,210
Social security costs	80,102	71,292
	£911,099	£779,502

No director received any remuneration in the year

The average number of employees of the company during the year was 58 (2008 53) all of whom are engaged in catering

5. TAXATION

(a) Analysis of charge in the year:

	2009 £	2008 £
Current tax (see note below)		
UK corporation tax on loss for the year at 28% (2008 30%)	52,764	-
Deferred tax (see notes 11 and 13)		
Net movement in deferred taxation	(128,882)	(59,527)
	£(76,118)	£(59,527)

(b) Factors affecting tax charge for year

The tax assessed for the year is different from the standard rate of corporation tax in the UK of 28% (2008 30%)
The differences are explained below

	2009 £	2008 £
Loss on ordinary activities before tax	£(32,866)	£(1,110,534)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the United Kingdom of 28% (2008 30%)	(9,202)	(310,950)
Effect of		
Depreciation in excess of capital allowances	(9,290)	28,695
Expenses not deductible for tax purposes	-	19,622
Other timing differences	-	149,411
Loss on disposal of property	-	163,040
Group relief received	(95,691)	(49,818)
Chargeable gain	167,961	-
Small companies relief	(1,014)	-
Current tax charge for the year	£52,764	£ -

333 ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30TH SEPTEMBER 2009

6. TANGIBLE FIXED ASSETS	Leasehold land and Buildings	Fixtures and fittings	Total
	£	£	£
Cost			
At 1st October 2008	1,792,660	757,048	2,549,708
Additions	25,472	62,798	88,270
	<u>1,818,132</u>	<u>819,846</u>	<u>2,637,978</u>
At 30th September 2009			
Depreciation			
At 1st October 2008	208,560	310,354	518,914
Provided in the year	75,715	109,879	185,594
	<u>284,275</u>	<u>420,233</u>	<u>704,508</u>
At 30th September 2009			
Net Book Value			
At 30th September 2009	<u>£1,533,857</u>	<u>£399,613</u>	<u>£1,933,470</u>
At 30th September 2008	<u>£1,584,100</u>	<u>£446,694</u>	<u>£2,030,794</u>
7. STOCKS		2009	2008
		£	£
Goods for resale		<u>£69,448</u>	<u>£81,014</u>
8. DEBTORS		2009	2008
		£	£
Trade debtors		5,045	28,788
Amounts owed by group undertakings		19,178	44,411
Other debtors		1,773	120,803
Prepayments and accrued income		77,407	48,339
		<u>£103,403</u>	<u>£242,341</u>
9. DEFERRED TAX ASSET		2009	2008
		£	£
Brought forward		125,061	130,825
Added/(released) during the year		-	(5,764)
Carried forward		<u>£125,061</u>	<u>£125,061</u>

The deferred tax asset represents tax losses which the directors consider are more likely than not to be used against future profits

333 ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30TH SEPTEMBER 2009

10. CREDITORS: Amounts falling due within one year	2009 £	2008 £
Bank loans and overdrafts	2,029,996	2,420,709
Trade creditors	399,660	351,206
Amounts owed to group undertakings	571,815	466,252
Social security and other taxes	137,521	109,169
Other creditors	103,289	85,056
Corporation tax	52,764	-
Accruals and deferred income	120,718	76,746
Rent free period adjustment	130,260	26,100
Accrued additions to Devonshire Terrace	-	60,491
	<u>£3,546,023</u>	<u>£3,595,729</u>
11. DEFERRED TAX LIABILITY	2009 £	2008 £
Brought forward	276,550	341,841
Released during the year	(128,882)	(65,291)
Carried forward	<u>£147,668</u>	<u>£276,550</u>
12. CREDITORS: Amounts falling due after more than one year	2009 £	2008 £
Bank loans	-	-
	<u>£ -</u>	<u>£ -</u>

As at 30 September 2009 the company was in breach of its bank covenants for its senior debt facility and as such the loan is shown as repayable on demand

If the breach had not occurred the repayment of the loans would be as follows	2009 £	2008 £
Within one year	250,062	161,040
After one and within two years	337,906	225,342
After two and within five years	637,082	668,664
After five years	296,037	450,081

The company has two bank loans, being a senior debt facility and a development loan, which are secured firstly by a mortgage debenture over the leasehold properties and then by way of a fixed and floating charge over the company's other assets. The senior debt facility is repayable monthly until 2012, at an interest rate of 2.75% over LIBOR. The Development loan enjoys a repayable holiday until April 2010 after which it is repayable monthly until March 2016. The development loan currently attracts an interest of 5% over base rate.

The bank has issued a term sheet in which the above loan and a separate one to a fellow subsidiary are to be converted into a single term loan, which is secured firstly by a debenture granted by 333 Holdings Limited including security over the shares it holds in 333 Estates Limited, VQ Limited and 333 PIC Limited, and secondly a cross guarantee from each member of the group. The loan is to be repaid at monthly rates of £33,333 until June 2010, thereafter £40,000 until 2013, subject to an annual review by the bank, at an interest rate of 4.5% over LIBOR.

333 ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30TH SEPTEMBER 2009

13. PROVISIONS FOR LIABILITIES AND CHARGES	2009	2008
	£	£
Deferred taxation		
Brought forward	276,550	341,841
Charge for the year	-	106,910
Released during the year	(128,882)	(172,201)
Carried forward	£147,668	£276,550
The provision for deferred taxation is made up as follows		
Accelerated capital allowances	145,989	107,010
Held over gain	1,679	169,640
	£147,668	£276,550
14. SHARE CAPITAL	2009	2008
	£	£
Allotted, called up and fully paid		
100,000 ordinary £1 shares	£100,000	£100,000
15. RESERVES		Profit and loss account
		£
At 1st October 2008		(1,465,003)
Loss for the year		43,252
At 30th September 2009		£(1,421,751)
16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' DEFICIT	2009	2008
	£	£
Loss for the financial year	43,252	(1,073,007)
Net movement in shareholders' deficit	43,252	(1,073,007)
Opening shareholders' deficit	(1,365,003)	(291,996)
Closing shareholders' deficit	£(1,321,751)	£(1,365,003)

333 ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30TH SEPTEMBER 2009

17. LEASING COMMITMENTS

At 30th September 2009, the company had annual commitments under non-cancellable operating leases as set out below -

	2009 Land and Buildings £	2008 Land and buildings £
In five years or more	<u>£292,354</u>	<u>£292,354</u>

18. RELATED PARTY INFORMATION

The company has taken advantage of the exemptions to 100% owned subsidiaries under Financial Reporting Standard 8 not to disclose transaction with other companies within the group

19. CONTINGENT LIABILITY

There is a cross guarantee in respect of the operating lease of the Cowdray pub within the subsidiary, County of Sussex Inns Limited. The annual commitment within the year was £67,407 (2008 £39,034)

20. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The company's ultimate parent company is 333 Holdings Ltd which is registered in England and Wales. The directors do not believe there to be a controlling party.