

Company Registration No. 05915350 (England and Wales)

BRITISH COUNTRY INNS 2 PLC
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 25 JULY 2009

BRITISH COUNTRY INNS 2 PLC
PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 25 JULY 2009

	Period 25 January 2009 to 25 July 2009	Period 27 January 2008 to 26 July 2008
	£	£
Turnover	1,446,287	1,323,845
Cost of sales	(1,393,210)	(1,407,298)
	-----	-----
Gross profit	53,077	(83,453)
Administrative expenses	(318,972)	(222,052)
	-----	-----
Operating loss before interest	(265,895)	(305,505)
Other interest receivable and similar income	21	8,416
Interest payable and similar charges	(20,984)	-
	-----	-----
Loss on ordinary activities before taxation	(286,858)	(297,089)
Tax on loss on ordinary activities	-	-
	-----	-----
Loss on ordinary activities after taxation	(286,858)	(297,089)
	-----	-----

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

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

BRITISH COUNTRY INNS 2 PLC
BALANCE SHEET
AS AT 25 JULY 2009

		25 July 2009	26 July 2008
	Notes	£	£
Fixed assets	2		
Intangible assets		307,114	345,899
Tangible assets		7,548,789	7,502,462
		-----	-----
		7,855,903	7,848,361
		-----	-----
Current assets			
Stocks		96,236	85,808
Debtors		140,285	94,766
Cash at bank and in hand		77,286	59,875
		-----	-----
		313,807	240,449
		-----	-----
Creditors: amounts falling due within one year		(2,047,648)	(1,331,182)
		-----	-----
Net current (liabilities)/assets		(1,733,841)	(1,090,733)
Deferred tax		-	(589)
		-----	-----
Total assets less current liabilities		6,122,062	6,757,039
		-----	-----
Capital and Reserves			
Called up share capital		3,922,457	3,922,457
Share premium account		3,339,591	3,339,591
Profit and loss account		(1,139,986)	(505,009)
		-----	-----
Shareholders' funds – equity interests		6,122,062	6,757,039
		=====	=====

BRITISH COUNTRY INNS 2 PLC
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 25 JULY 2009

1 Accounting policies

1.1 Basis of preparation

The interim financial statements have been prepared for the six month period from 25 January 2009 to 25 July 2009. The comparative period shown in the interim financial statements is from 27 January 2007 to 26 July 2008. The accounting policies applied are consistent with those applied in the preparation of the statutory financial statements. These interim financial statements do not constitute statutory accounts, and are unaudited.

1.2 Accounting convention

The interim financial statements are prepared under the historical cost convention.

1.3 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

1.4 Turnover

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

1.5 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 10 years.

Goodwill is reviewed annually for indications of impairment as described in the tangible fixed asset accounting policy set out below.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land 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:

Buildings	75 years straight line
Fixtures, fittings and equipment	10-20% straight line

Freehold land is not depreciated.

The directors assess assets or group of assets for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. Assets are grouped into individual cash generating units which are assessed separately. Impairment occurs where the recoverable amount of the asset is less than its carrying amount. Recoverable amount is the higher of an asset's net realisable value less costs to sell and its value in use. Any impairment loss is treated as a charge through the profit and loss account.

1.7 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.8 Stock

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

1.9 Taxation

The interim financial statements do not include a provision for current taxation in respect of the period ended 25 July 2009 (period ended 26 July 2008 – NIL).

BRITISH COUNTRY INNS 2 PLC
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 25 JULY 2009

1 Accounting policies (continued)

1.10 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallize in the foreseeable future.

2 Fixed assets

There were no significant acquisitions or disposals of public houses during the period ended 25 July 2009