

Company Registration No. 21795 (England and Wales)

HALLAMSHIRE TENNIS & SQUASH CLUB LIMITED

REPORTS AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2007



HALLAMSHIRE TENNIS & SQUASH CLUB LIMITED

COMPANY INFORMATION

Directors

A Biggin
J Warner
R P Harrison
N Davis
V Jones
C Skelton
J Appleby
J Whidborne (Appointed 10 May 2007)
T Jackson (Appointed 10 May 2007)
R Hill (Appointed 10 May 2007)
P Hague (Appointed 10 May 2007)
S Hibberd (Appointed 10 May 2007)

Secretary

J Warner

Company number

21795

Registered office

716 Ecclesall Road
Sheffield
S11 8TA

Auditors

Montpelier Audit Limited
56 Shoreham Street
Sheffield
S1 4SP

Bankers

Natwest plc
PO Box 897
38 Carver Street
Sheffield
S1 4YY

HALLAMSHIRE TENNIS & SQUASH CLUB LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Independent auditors' report	3 - 4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7 - 11

HALLAMSHIRE TENNIS & SQUASH CLUB LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2007

The directors present their report and financial statements for the year ended 31 December 2007

Principal activities

The principal activity of the company continued to be that of the provision of facilities for tennis and squash

Directors

The following directors have held office since 1 January 2007

A Biggin	
J Warner	
R P Harrison	
D Mantle	(Resigned 10 May 2007)
N Davis	
V Jones	
C Skelton	
J Appleby	
R P Rogers	(Resigned 16 January 2007)
J Whidborne	(Appointed 10 May 2007)
T Jackson	(Appointed 10 May 2007)
R Hill	(Appointed 10 May 2007)
P Hague	(Appointed 10 May 2007)
S Hibberd	(Appointed 10 May 2007)

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Montpelier Audit Limited be reappointed as auditors of the company will be put to the Annual General Meeting

HALLAMSHIRE TENNIS & SQUASH CLUB LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

Directors' responsibilities

The directors are responsible for preparing 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). The financial statements are required by law to 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 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 that 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 1985. 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.

Statement of disclosure to auditors

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

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

By order of the board



J Warner

Secretary

22 October 2008

HALLAMSHIRE TENNIS & SQUASH CLUB LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF HALLAMSHIRE TENNIS & SQUASH CLUB LIMITED

We have audited the financial statements of Hallamshire Tennis & Squash Club Limited for the year ended 31 December 2007 set out on pages 5 to 11. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 the directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the directors' report 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 International Standards on Auditing (UK and Ireland) 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.

HALLAMSHIRE TENNIS & SQUASH CLUB LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE SHAREHOLDERS OF HALLAMSHIRE TENNIS & SQUASH CLUB LIMITED

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 December 2007 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the directors' report is consistent with the financial statements

Montpelier Audit Limited

Montpelier Audit Limited

28 Oct 2008

Chartered Accountants

Registered Auditors

56 Shoreham Street
Sheffield
S1 4SP

HALLAMSHIRE TENNIS & SQUASH CLUB LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2007

	Notes	2007 £	2006 £
Turnover		620,896	629,242
Cost of sales		(263,536)	(260,809)
Gross profit		357,360	368,433
Administrative expenses		(377,602)	(369,541)
Other operating income		51,594	51,594
Operating profit	2	31,352	50,486
Loan interest released on final payment		13,141	-
Profit on ordinary activities before interest		44,493	50,486
Other interest receivable and similar income	3	-	9
Interest payable and similar charges		(8,792)	(11,473)
Profit on ordinary activities before taxation		35,701	39,022
Tax on profit on ordinary activities	4	-	-
Profit for the year	12	35,701	39,022

HALLAMSHIRE TENNIS & SQUASH CLUB LIMITED

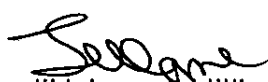
BALANCE SHEET

AS AT 31 DECEMBER 2007

	Notes	2007 £	£	2006 £	£
Fixed assets					
Tangible assets	5		524,957		562,817
Current assets					
Stocks		3,930		4,022	
Debtors	6	38,882		21,527	
Cash at bank and in hand		961		588	
		43,773		26,137	
Creditors: amounts falling due within one year	7	(187,970)		(204,882)	
Net current liabilities			(144,197)		(178,745)
Total assets less current liabilities			380,760		384,072
Creditors: amounts falling due after more than one year	8		(32,500)		(64,919)
Accruals and deferred income	9		(74,311)		(80,905)
			273,949		238,248
Capital and reserves					
Called up share capital	11		2,585		2,585
Share premium account	12		55		55
Other reserves	12		139,224		139,224
Profit and loss account	12		132,085		96,384
Shareholders' funds			273,949		238,248

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 January 2007)

Approved by the Board for issue on 22.10.08



J Warner
Director

HALLAMSHIRE TENNIS & SQUASH CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2007

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007)

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 Turnover

Represents the annual subscription of members, the usage charges for facilities and the provision of refreshments, all of which exclude value added tax

1.4 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

Land and buildings Freehold	4% straight line
Fixtures, fittings & equipment	20% reducing balance
Courts	10% - 20% straight line

1.5 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable and included within administration wages

2 Operating profit	2007 £	2006 £
Operating profit is stated after charging		
Depreciation of tangible assets	40,981	42,040
Auditors' remuneration	2,350	2,200
and after crediting		
Government grants	6,594	6,594

3 Investment income	2007 £	2006 £
Bank interest	-	9
	-	9

HALLAMSHIRE TENNIS & SQUASH CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

4 Taxation

The company has been accepted as a mutual trading company by H M Revenue and Customs, and as such the company does not pay corporation tax on its income from members

5 Tangible fixed assets

	Land and buildings Freehold	Fixtures, fittings & equipment	Courts	Total
	£	£	£	£
Cost				
At 1 January 2007	840,627	107,672	1,043,934	1,992,233
Additions	-	3,120	-	3,120
	<u>840,627</u>	<u>110,792</u>	<u>1,043,934</u>	<u>1,995,353</u>
At 31 December 2007	840,627	110,792	1,043,934	1,995,353
Depreciation				
At 1 January 2007	311,465	74,016	1,043,934	1,429,415
Charge for the year	33,626	7,355	-	40,981
	<u>345,091</u>	<u>81,371</u>	<u>1,043,934</u>	<u>1,470,396</u>
At 31 December 2007	345,091	81,371	1,043,934	1,470,396
Net book value				
At 31 December 2007	<u>495,536</u>	<u>29,421</u>	<u>-</u>	<u>524,957</u>
At 31 December 2006	<u>529,161</u>	<u>33,656</u>	<u>-</u>	<u>562,817</u>

There is a deed of covenant dated 2 March 1944 between the company, Sheffield Town Trustees and Sheffield Corporation. This provides that if the company should wish, it can at any time call upon the Corporation to acquire the land at an open market price freed from the restriction as to usage in the agreement.

6 Debtors

	2007	2006
	£	£
Trade debtors	16,529	5,889
Other debtors	22,353	15,638
	<u>38,882</u>	<u>21,527</u>

HALLAMSHIRE TENNIS & SQUASH CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

7 Creditors: amounts falling due within one year	2007	2006
	£	£
Bank loans and overdrafts	70,438	97,302
Trade creditors	33,039	13,620
Taxation and social security	4,767	6,644
Other creditors	79,726	87,316
	<u>187,970</u>	<u>204,882</u>

The bank loan and overdraft are secured on the assets of the company

8 Creditors: amounts falling due after more than one year	2007	2006
	£	£
Bank loans	32,500	56,778
Other creditors	-	8,141
	<u>32,500</u>	<u>64,919</u>

Analysis of loans

Wholly repayable within five years	58,271	91,481
Included in current liabilities	(25,771)	(26,562)
	<u>32,500</u>	<u>64,919</u>

9 Accruals and deferred income

	Government grants
	£
Balance at 1 January 2007	80,905
Amortisation in the year	(6,594)
Balance at 31 December 2007	<u>74,311</u>

HALLAMSHIRE TENNIS & SQUASH CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

10 Pension costs

Defined contribution

	2007 £	2006 £
Contributions payable by the company for the year	975	936

11 Share capital

	2007 £	2006 £
Authorised		
500 Ordinary shares of £5 each	2,500	2,500
500 4% Preference shares of £5 each	2,500	2,500
	5,000	5,000
Allotted, called up and fully paid		
500 Ordinary shares of £5 each	2,500	2,500
17 4% Preference shares of £5 each	85	85
	2,585	2,585

The holders of the 4% Preference Shares are entitled to a cumulative preferential dividend of 4% per annum on the nominal amount of the shares.

The directors have the right to convert preference shares at any time at the request and cost of the preference shareholder into Ordinary Shares, on such terms as to price or otherwise, as they think fit

The preference shareholders do not have the right to attend or vote at the general meetings of the Company, except at a general meeting to allot any remaining shares or a meeting to sell or lease any land owned by the company.

Upon winding up, the surplus assets shall first be used to pay the preference shareholders, together with all interest due

HALLAMSHIRE TENNIS & SQUASH CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

12 Statement of movements on reserves

	Share premium account £	Other reserves (see below) £	Profit and loss account £
Balance at 1 January 2007	55	139,224	96,384
Profit for the year	-	-	35,701
Balance at 31 December 2007	55	139,224	132,085

Other reserves

Capital redemption reserve

Balance at 1 January 2007 & at 31 December 2007

139,224

13 Financial commitments

At 31 December 2007 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2008

	2007 £	2006 £
Operating leases which expire Between two and five years	17,255	17,255

14 Control

The ultimate controlling party is Hallamshire Raquet Sports Trust Limited

Hallamshire Tennis & Squash Club Limited

Management Pages

31 December 2007

HALLAMSHIRE TENNIS & SQUASH CLUB LIMITED**SUMMARY OF RESULTS****FOR THE YEAR ENDED 31 DECEMBER 2007**

Budget		2007	2006
£		£	£
	Gross profit		
200,796	Tennis (page 13)	201,177	200,025
135,946	Squash (page 14)	141,566	146,019
25,640	Gym (page 15)	17,505	24,240
15,600	Bar (page 15)	13,595	15,538
(17,500)	Reception (page 15)	(18,432)	(18,059)
950	Social, Creche & other (page 16)	1,950	670
361,432	Total Gross Profit	357,360	368,433
	Overhead Expenses		
331,039	Administrative (page 17)	306,168	296,283
(51,594)	Other operating income	(51,594)	(51,594)
279,445		254,574	244,689
81,987	Operating Profit	102,786	123,744
	Interest and Other Costs		
86,113	Financial costs (page 18)	80,226	84,731
-	Interest receivable	-	(9)
(13,141)	Exceptional Items	(13,141)	-
72,972		67,085	84,722
9,015	Net Profit	35,701	39,022

HALLAMSHIRE TENNIS & SQUASH CLUB LIMITED**TENNIS****FOR THE YEAR ENDED 31 DECEMBER 2007**

<u>Budget</u>		<u>2007</u>	<u>2006</u>
<u>£</u>		<u>£</u>	<u>£</u>
Income			
-	Entry fees	176	1,590
124,613	Subscriptions	110,993	118,571
3,000	Visitors	1,857	2,465
81,903	Indoor income	86,296	77,657
11,000	Outdoor income	7,728	7,801
-	Tournament income	1,695	2,394
1,180	Sponsorship	5,585	1,362
-	Match Fees	9	18
<u>221,696</u>	Total income	<u>214,339</u>	<u>211,858</u>
Expenditure			
-	Professional fees	-	330
7,000	Repairs	6,327	2,701
1,000	Players expenses	70	497
400	Junior Match Balls	652	731
-	Tournament expenses	505	2,823
5,000	Affiliation fees	5,608	4,751
7,500	Court enhancements	-	-
<u>20,900</u>	Total expenditure	<u>13,162</u>	<u>11,833</u>
<u>200,796</u>	Gross profit	<u>201,177</u>	<u>200,025</u>

HALLAMSHIRE TENNIS & SQUASH CLUB LIMITED**SQUASH****FOR THE YEAR ENDED 31 DECEMBER 2007**

<u>Budget</u>		<u>2007</u>	<u>2006</u>
<u>£</u>		<u>£</u>	<u>£</u>
Income			
78,700	Subscriptions	82,420	82,959
750	Visitors	737	1,187
93,000	Court income	84,503	86,995
16,000	Courses	17,567	18,132
3,000	Advertising	3,032	4,090
2,000	Tournament income	580	427
1,200	Entrance fees	1,431	1,298
1,000	Other Income	1,150	-
<u>195,650</u>	Total income	<u>191,419</u>	<u>195,088</u>
Expenditure			
320	Balls	21	120
28,000	Professional fees	26,494	27,851
5,250	Affiliation fees	4,821	4,966
1,000	Match Subsidies	-	-
14,000	Repairs	11,142	6,305
834	Junior development	245	834
3,800	Players expenses	4,385	3,804
-	Match fees	-	528
4,500	Tournament expenses	1,652	920
-	Club Tournaments	73	2,293
2,000	School links	1,020	1,448
<u>59,704</u>	Total expenditure	<u>49,853</u>	<u>49,069</u>
<u>135,946</u>	Gross profit	<u>141,566</u>	<u>146,019</u>

HALLAMSHIRE TENNIS & SQUASH CLUB LIMITED**GYMNASIUM, BAR & RECEPTION****FOR THE YEAR ENDED 31 DECEMBER 2007**

Budget		2007	2006
£		£	£
Gymnasium			
	Income		
90,000	Subscriptions	47,439	44,574
-	Casual Gym	22,540	32,874
-	Other income	8,471	8,365
90,000	Total income	78,450	85,813
	Expenditure		
43,770	Wages	36,550	41,983
20,590	Other expenses	24,395	19,590
64,360	Total expenditure	60,945	61,573
25,640	Gymnasium gross profit	17,505	24,240
Bar			
	Income		
90,000	Takings	85,998	87,013
90,000	Total income	85,998	87,013
	Expenditure		
35,000	Wages	34,580	33,784
37,900	Purchases	36,718	36,101
1,500	Other expenses	1,106	1,590
74,400	Total expenditure	72,403	71,475
15,600	Bar gross profit	13,595	15,538
Reception			
	Income		
38,500	Sales	37,352	37,017
38,500	Total income	37,352	37,017
	Expenditure		
30,000	Wages	33,910	29,177
26,000	Purchases	21,874	25,899
56,000	Total expenditure	55,784	55,076
(17,500)	Reception gross loss	(18,432)	(18,059)

HALLAMSHIRE TENNIS & SQUASH CLUB LIMITED**SOCIAL, CRECHE & OTHER****FOR THE YEAR ENDED 31 DECEMBER 2007**

<u>Budget</u>		<u>2007</u>	<u>2006</u>
<u>£</u>		<u>£</u>	<u>£</u>
Income			
6,500	Social	4,570	5,491
2,500	Other income	5,431	3,961
3,450	Shop income	3,338	3,000
<u>12,450</u>	Total income	<u>13,339</u>	<u>12,452</u>
Expenditure			
11,500	Social expenses	11,389	10,127
-	Other Wages	-	1,655
<u>11,500</u>	Total expenditure	<u>11,389</u>	<u>11,782</u>
<u>950</u>	Gross profit/loss	<u>1,950</u>	<u>670</u>

HALLAMSHIRE TENNIS & SQUASH CLUB LIMITED**ADMINISTRATIVE EXPENSES & FINANCIAL COSTS****FOR THE YEAR ENDED 31 DECEMBER 2007**

<u>Budget</u>		<u>2007</u>	<u>2006</u>
<u>£</u>		<u>£</u>	<u>£</u>
Administrative Expenses			
75,904	Admin wages	69,953	66,438
16,526	Groundsman	17,741	15,490
20,000	Repairs & Improvements	20,016	13,831
55,875	Rent	55,875	55,875
6,000	General rates	6,060	5,730
7,400	Water rates	7,534	6,373
6,545	Insurance	6,000	6,538
23,736	Security	17,979	20,402
7,487	Gas	9,689	7,882
41,320	Electricity	34,057	40,407
24,936	Contract cleaning	28,135	29,207
4,200	Cleaning materials	3,627	2,462
2,400	Refuse costs	1,732	1,316
4,200	Sanitary costs	3,658	2,213
2,000	Equipment hire	1,590	1,520
3,900	Marketing costs	1,360	3,355
8,004	Postage and stationery	5,784	7,899
2,490	Computer costs	3,150	1,655
4,836	Telephone	3,557	3,408
7,200	General expenses	8,537	4,282
-	Subscriptions	116	-
3,000	Recruitment	-	-
3,080	Training Courses	18	-
<u>331,039</u>	Total	<u>306,168</u>	<u>296,283</u>
Financial Costs			
6,500	Bank charges	6,908	7,711
1,892	Bank overdraft interest	1,998	3,229
6,000	Bank loan interest	6,794	6,941
721	Legal & professional	60	700
4,000	Audit & accountancy	4,300	4,600
47,000	Depreciation	40,981	42,040
20,000	Irrecoverable VAT	19,185	19,510
<u>86,113</u>	Total	<u>80,226</u>	<u>84,731</u>