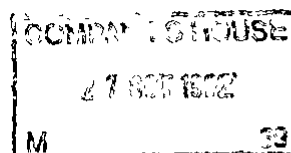


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HALLAMSHIRE TENNIS & SQUASH CLUB LIMITED

REPORT AND
FINANCIAL STATEMENTS

31ST DECEMBER 1991



Watson Wheatcroft
Chartered Accountants
MINALLOY HOUSE,
10-16 REGENT STREET, SHEFFIELD S1 1SJ
Tel: 0742-720289

HALLAMSHIRE TENNIS & SQUASH CLUB LIMITED

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HALLAMSHIRE TENNIS & SQUASH CLUB LIMITED

DIRECTORS' REPORT

The Directors submit their report and financial statements for the year ended 31st December 1991.

RESULTS AND DIVIDENDS

The trading profit for the year after taxation amounted to £20,648 (1990 £18,716).

The Directors do not recommend to payment of a dividend. The Hallamshire Tennis Trust Limited have waived the right to a dividend on their shareholding.

REVIEW OF THE BUSINESS

The Company's principal activities during the year were the provision of facilities for lawn tennis and squash. Your Directors consider the financial position of the Company satisfactory.

FIXED ASSETS

The changes in fixed assets during the year are summarised in the notes to the financial statements.

DIRECTORS AND THEIR INTERESTS

The Directors at 31st December 1991 and their interests in the share capital of the Company were as follows:-

	At 31st December 1991	At 1st January 1991 or subsequent date of appointment
	<u>£5 Ordinary Shares</u>	<u>£5 Ordinary Shares</u>
Mrs S J Thomas	1	1
J Biggin	1	1
A W Bluff	1	1
C A Daily	1	1
W Ferguson	1	1
F G F Gibb	1	1
P J Greatorex	1	1
C J Hart	1	1
E M Mott	1	1
M H Newton	1	1
Mrs L Beckett	1	1
Mrs C Dalton	1	1
G J Spencer - appointed 22/11/90	1	1
H D W Matthew - appointed 08/04/91	1	1

A significant shareholder in the Company is the Hallamshire Tennis Trust Limited which holds 91 Ordinary Shares of £5 each and 202 4% Cumulative Preference Shares of £5 each.

AUDITORS

A resolution to re-appoint Watson Wheatcroft as auditors will be put to members at the Annual General Meeting.

BY ORDER OF THE BOARD

R MILES

Secretary

7th September 1992

REPORT OF THE AUDITORS TO THE MEMBERS OF

HALLAMSHIRE TENNIS & SQUASH CLUB LIMITED

We have audited the Financial Statements on pages 3 to 11 in accordance with Auditing Standards.

In our opinion the Financial Statements give a true and fair view of the state of the Company's affairs at 31st December 1991 and of its profit and source and application of funds for the year then ended and have been properly prepared in accordance with the Companies Act 1985, as amended.

Watson Wheatcroft

WATSON WHEATCROFT
Chartered Accountants
Sheffield S1 1SJ

7th September 1992

HALLAMSHIRE TENNIS & SQUASH CLUB LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 1991

		<u>1991</u>	<u>1990</u>
	Notes	£	£
TURNOVER	2	276,421	269,999
Cost of Sales	3	<u>93,488</u>	<u>89,161</u>
GROSS PROFIT		182,933	180,838
Administrative expenses	4	<u>149,028</u>	<u>143,555</u>
OPERATING PROFIT	5	33,905	37,283
Interest payable	7	<u>7,014</u>	<u>10,095</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		26,891	27,188
Taxation	8	<u>(6,243)</u>	<u>(8,472)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		20,648	18,716
Dividends		<u>-</u>	<u>-</u>
Accumulated Deficit brought forward		20,648 <u>(4,240)</u>	18,716 <u>(22,956)</u>
ACCUMULATED PROFIT/(DEFICIT) CARRIED FORWARD		£ 16,408	£ (4,240)

The notes on pages 6 to 11 form part of these Financial Statements.

HALLAMSHIRE TENNIS & SQUASH CLUB LIMITED

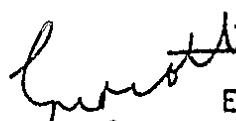
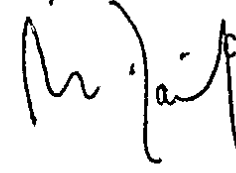
BALANCE SHEET

31ST DECEMBER 1991

	Notes	£	<u>1991</u>	£	£	<u>1990</u>	£
FIXED ASSETS							
Tangible assets	9			289,527			278,704
CURRENT ASSETS							
Stock	10		4,200			5,198	
Debtors	11		1,341			9,274	
Cash at Bank and in Hand			<u>1,865</u>			<u>1,341</u>	
			7,406			15,813	
CREDITORS: Amounts falling due within one year	12		<u>116,381</u>			<u>128,041</u>	
NET CURRENT LIABILITIES				(108,975)			(112,228)
TOTAL ASSETS LESS CURRENT LIABILITIES				180,552			166,476
CREDITORS: Amounts falling due after more than one year	13			<u>(22,279)</u>			<u>(28,851)</u>
				£ 158,273			£ 137,625
CAPITAL AND RESERVES							
Share Capital	15			2,585			2,585
Debentures (unsecured)				55			55
Capital Reserve				139,225			139,225
Profit and Loss Account				<u>16,408</u>			<u>(4,240)</u>
				£ 158,273			£ 137,625

Approved by the Board of Directors on

17th September 1992

 E M MOTT }
 E A DAILY } Directors

The notes on pages 6 to 11 form part of these Financial Statements.

HALLAMSHIRE TENNIS & SQUASH CLUB LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS FOR THE YEAR ENDED 31ST DECEMBER 1991

SOURCE OF FUNDS	£	<u>1991</u>	£	£	<u>1990</u>	£
Profit on ordinary activities before taxation			26,891			27,188
Adjustment for items not involving the movement of funds:						
Depreciation			19,194			18,524
Loss on sale of fixed assets			<u>142</u>			<u>-</u>
 TOTAL GENERATED FROM OPERATIONS			 46,227			 45,712
FUNDS FROM OTHER SOURCES:						
Proceeds from sale of fixed assets			<u>220</u>			<u>-</u>
			46,447			45,712
 APPLICATION OF FUNDS						
Purchase of fixed assets	30,379			2,458		
Decrease in non-current loan obligations	6,572			7,190		
Corporation Tax paid	<u>4,874</u>			<u>(787)</u>		
			<u>41,825</u>			<u>8,861</u>
 WORKING CAPITAL - INCREASE/(DECREASE)			 £ 4,622			 £ 36,851
 COMPONENTS OF INCREASE/(DECREASE) IN WORKING CAPITAL:						
Stocks			(998)			1,047
Debtors			(7,933)			9,164
Creditors			<u>(16,096)</u>			<u>792</u>
			(25,027)			11,003
 MOVEMENT IN NET LIQUID FUNDS:						
Cash at bank and in hand	524			(195)		
Bank Overdraft	<u>29,125</u>			<u>26,043</u>		
			<u>29,649</u>			<u>25,848</u>
			£ 4,622			£ 36,851

The notes on pages 6 to 11 form part of these financial statements.

HALLAMSHIRE TENNIS & SQUASH CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS AT 31ST DECEMBER 1990

1. ACCOUNTING POLICIES

Accounting Convention

The Financial Statements are prepared under the historical cost convention in compliance with the provision of the Companies Act 1985.

Depreciation

Depreciation is provided on all tangible fixed assets, other than freehold land and buildings, at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life, as follows:-

Hard Courts	-	£100 per annum
Squash and Artificial Grass Courts	-	10% per annum on cost
Fixtures and Fittings	-	10% per annum on reducing balance
Covered Tennis Courts	-	10% per annum on cost

In the light of the present value of the freehold land and buildings, it is not considered necessary to provide depreciation. This is not in accordance with Statement of Standard Accounting Practice No. 12.

Stocks

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

2. TURNOVER

Turnover represents income from sports, bar takings and other non-playing activities stated net of value added tax.

	<u>1991</u>	<u>1990</u>
	£	£
SPORTS		
Subscriptions and entrance fees	89,064	84,113
Court fees	71,937	72,146
Tournament receipts	3,701	4,102
Sponsorship	2,479	3,636
Advertising	500	578
Other	-	-
	<u>£ 167,681</u>	<u>£ 164,575</u>
BAR TAKINGS	<u>£ 85,216</u>	<u>£ 82,422</u>
OTHER NON-PLAYING ACTIVITIES		
Subscriptions and visitors' fees	2,734	1,523
Amusement machines	6,015	7,455
Rent	968	880
Reception sales	12,205	11,179
Creche	1,128	1,196
Other	-	769
Interest received	-	-
	<u>£ 23,524</u>	<u>£ 23,002</u>
TOTAL TURNOVER	<u>£ 276,421</u>	<u>£ 269,999</u>

HALLAMSHIRE TENNIS & SQUASH CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS AT 31ST DECEMBER 1991 (continued)

	<u>1991</u> £	<u>1990</u> £
3. COST OF SALES		
SPORTS		
Court costs	6,182	7,449
Tournaments	6,848	5,941
Other	248	580
Depreciation	<u>16,188</u>	<u>16,188</u>
	£ 29,466	£ 30,158
BAR	£ <u>54,639</u>	£ <u>50,496</u>
OTHER		
Amusement machines	2,520	2,211
Reception costs	<u>6,863</u>	<u>6,296</u>
	£ 9,383	£ 8,507
TOTAL COST OF SALES	£ <u>93,488</u>	£ <u>89,161</u>
4. ADMINISTRATIVE EXPENSES		
Affiliation fee	2,475	2,346
Audit and Accountancy	4,154	4,150
Bank Charges	2,971	3,238
Cleaning and Laundry	3,094	3,617
Insurance	2,090	2,076
Light, heat and power	19,146	14,277
Printing, postage and stationery	3,072	3,276
Professional charges	2,709	2,053
Rates	5,678	6,609
Repairs and Renewals	12,558	22,187
Telephone	1,964	89
Wages and pension costs	85,657	76,495
Sundries	1,212	806
Depreciation	3,006	2,336
Loss on sale of assets	<u>142</u>	<u>-</u>
	£ 149,028	£ 143,555
5. OPERATING PROFIT		
This is stated after charging:-		
Auditors' remuneration	4,154	3,100
Depreciation	19,194	18,524
Rent receivable	<u>968</u>	<u>880</u>

HALLAMSHIRE TENNIS & SQUASH CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS AT 31ST DECEMBER 1991 (continued)

	<u>1991</u> £	<u>1990</u> £
6. STAFF COSTS		
Wages and salaries	76,900	69,021
Social Security costs	5,180	4,704
Other pension costs	<u>3,577</u>	<u>2,770</u>
	£ 85,657	£ 76,495
	<u> </u>	<u> </u>
	<u>No.</u>	<u>No.</u>
The average weekly number of employees during the year, including directors, was:-	<u>31</u>	<u>31</u>
	<u> </u>	<u> </u>
	<u>1991</u> £	<u>1990</u> £
7. INTEREST PAYABLE		
Bank overdraft	2,203	6,447
Bank Loan	4,490	3,219
Loans wholly repayable within 5 years	-	-
Loans not wholly repayable within 5 years	<u>321</u>	<u>429</u>
	£ 7,014	£ 10,095
	<u> </u>	<u> </u>
8. TAXATION		
Based on the result for the year:		
Corporation Tax at 25% (1990 - 25%)	7,500	8,500
Corporation Tax overprovided in previous years	<u>(1,257)</u>	<u>(28)</u>
	£ 6,243	£ 8,472
	<u> </u>	<u> </u>

HALLAMSHIRE TENNIS & SQUASH CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS AT 31ST DECEMBER 1991 (continued)

9. TANGIBLE FIXED ASSETS

	FREEHOLD LAND AND BUILDINGS	HARD COURTS	SQUASH AND ARTIFICIAL GRASS COURTS	FIXTURES AND FITTINGS	COVERED TENNIS COURTS	TOTAL
	£	£	£	£	£	£
Cost						
At 1st January 1991	180,815	3,537	139,828	39,718	98,096	461,994
Additions	-	-	21,001	9,378	-	30,379
Disposals	-	-	-	(497)	-	(497)
At 31st December 1991	<u>180,815</u>	<u>3,537</u>	<u>160,829</u>	<u>48,599</u>	<u>98,086</u>	<u>491,876</u>
Depreciation						
At 1st January 1991	-	3,537	92,392	18,692	68,669	183,290
Charge for the year	-	-	6,378	3,006	9,810	19,194
Disposals	-	-	-	(135)	-	(135)
At 31st December 1991	<u>-</u>	<u>3,357</u>	<u>98,770</u>	<u>21,563</u>	<u>78,479</u>	<u>202,349</u>
Net Book Value						
At 31st December 1991	<u>£180,815</u>	<u>£ -</u>	<u>£62,059</u>	<u>£27,036</u>	<u>£19,617</u>	<u>£289,527</u>
At 31st December 1990	<u>£180,815</u>	<u>£ -</u>	<u>£47,436</u>	<u>£21,026</u>	<u>£29,427</u>	<u>£278,704</u>

There is a Deed of Covenant dated 2nd 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 restrictive Covenant as to usage in the agreement.

1991

1990

10. STOCKS

Goods for resale £ 4,200 £ 5,198

11. DEBTORS

Other debtors £ 1,341 £ 9,274

HALLAMSHIRE TENNIS & SQUASH CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS AT 31ST DECEMBER, 1991 (continued)

	<u>1991</u>	<u>1990</u>
	£	£
12. CREDITORS: Amounts falling due within one year		
Bank Loan (repayable on demand)	60,000	40,000
Loans (Note 14)	6,458	7,000
Bank overdraft	22,713	51,838
Trade creditors	8,684	10,494
Corporation Tax	10,122	8,753
Other taxes and social security costs	3,612	5,081
Accruals	4,792	4,875
	£ <u>116,381</u>	£ <u>128,041</u>

The bank overdraft and bank loan are secured on the freehold property situated at Hunter's Bar.

	<u>1991</u>	<u>1990</u>
	£	£
13. CREDITORS: Amounts falling due after more than one year		
Loans (Note 14)	£ <u>22,279</u>	£ <u>28,851</u>
14. LOANS		
Loans wholly repayable within five years	7,041	10,541
Loans not wholly repayable within five years	21,696	25,310
	£ <u>28,737</u>	£ <u>35,851</u>

Shown as:-

Amounts falling due within one year	6,458	7,000
Amounts falling due after more than one year	22,279	28,851
	£ <u>28,737</u>	£ <u>35,851</u>

Details of loans not wholly repayable within five years are as follows:-

Loan bearing interest at 5% per annum and repayable in 120 monthly instalments of £ 83.33 from January, 1986

	4,000	5,000
Interest Free Loans	17,696	20,310
	£ <u>21,696</u>	£ <u>25,310</u>

Aggregate amount of instalments due more than five years after the Balance Sheet date

£ <u>5,000</u>	£ <u>7,500</u>
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HALLAMSHIRE TENNIS & SQUASH CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS AT 31ST DECEMBER, 1991
 (continued)

14. LOANS (Continued)

The interest bearing loans above, not wholly repayable within five years, are secured by a second charge on the freehold property situated at Hunter's Bar.

15. SHARE CAPITAL	<u>1991</u>	<u>1990</u>
Authorised		
500 Ordinary shares of £5 each	2,500	2,500
500 4% Preference shares of £5 each	<u>2,500</u>	<u>2,500</u>
	£ <u>5,000</u>	£ <u>5,000</u>
Allotted called up and fully paid		
313 Ordinary Shares of £5 each	1,565	1,565
204 4% Preference shares of £5 each	<u>1,020</u>	<u>1,020</u>
	£ <u>2,585</u>	£ <u>2,585</u>
16. CAPITAL COMMITMENTS	<u>1991</u>	<u>1990</u>
Contracted	£ <u>22,000</u>	£ <u>Nil</u>
Authorised by the Directors but not contracted	£ <u>Nil</u>	£ <u>Nil</u>