

MELBOURNE LIBERAL CLUB

AND

PUBLIC HALL COMPANY LIMITED

COMPANY NO. 28269

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED

30TH JUNE 2002



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07/02/03

HSKS LIMITED

CHARTERED ACCOUNTANTS

4TH FLOOR, SITWELL HOUSE

SITWELL STREET

DERBY

DE1 2JT

MELBOURNE LIBERAL CLUB AND PUBLIC HALL COMPANY LIMITED

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 30TH JUNE 2002

COMPANY NO. 28269

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MELBOURNE LIBERAL CLUB AND PUBLIC HALL COMPANY LIMITED

REPORT OF THE DIRECTORS

The Directors present their annual report with the accounts of the Company for the year ended 30th June 2002.

**PRINCIPAL ACTIVITY**

The principal activity of the Company continued to be the provision of Club and Hall facilities.

**DIRECTORS**

The Directors in office in the year and their beneficial interest in the issued ordinary share capital were as follows:-

|               | Ordinary Shares of 50p each |         |
|---------------|-----------------------------|---------|
|               | 30.6.02                     | 30.6.01 |
| E. Mason      | 24                          | 24      |
| R. Robey      | 24                          | 24      |
| G. W. Parsons | 24                          | 24      |
| M. Brown      | 24                          | 24      |
| J. A. Dando   | 5                           | 5       |

Mr J A Dando and Mr G W Parsons retire by rotation and offer themselves for re-election.

**DIRECTORS' RESPONSIBILITIES**

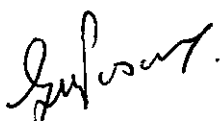
Company law requires the Directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss of the Company for that period. In preparing those accounts, the Directors are required to:-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the accounts 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.

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

Signed on behalf of the Board of Directors



Secretary

Approved by the Board 22nd November 2002

REPORT OF THE ACCOUNTANTS TO THE DIRECTORS OF  
MELBOURNE LIBERAL CLUB AND PUBLIC HALL COMPANY LIMITED

As described on the Balance Sheet you are responsible for the preparation of the financial statements for the year ended 30 June 2002 set out on pages 3 to 11 and you consider that the Company is exempt from an audit in accordance with Section 249A of the Companies Act 1985.

In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

HSKS Ltd

Chartered Accountants

4TH FLOOR, SITWELL HOUSE  
SITWELL STREET  
DERBY, DE1 2JT

22ND NOVEMBER 2002

**MELBOURNE LIBERAL CLUB AND PUBLIC HALL COMPANY LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 30TH JUNE 2002**

|   | <u>Notes</u> | <u>2002</u>   | <u>2001</u>   |
|---|--------------|---------------|---------------|
| Turnover  | 2            | 166,754       | 178,521       |
| Change in Stock   |              | (1,162)       | (113)         |
|   |              | <hr/> 165,592 | <hr/> 178,408 |
| Beer, Wines and Spirits                                 | 80,401       | 88,622        |               |
| Minerals, Crisps and Sundries                           | 6,121        | 5,841         |               |
| Cigars, etc.  | 1,065        | 1,389         |               |
|   |              | <hr/> 87,587  | <hr/> 95,852  |
|   |              | <hr/> 78,005  | <hr/> 82,556  |
| Staff costs:  | 3            |               |               |
| Steward's Salary  | 17,376       | 16,908        |               |
| Other Wages   | 22,819       | 29,467        |               |
| Secretary's Remuneration                                | 3,417        | 3,546         |               |
| Directors' Remuneration                                 | 156          | 160           |               |
| Social Security Costs                                   | 1,875        | 1,920         |               |
| Depreciation  | 1            | 2,913         |               |
| Other operating charges:                                |              |               |               |
| Rates and Insurance                                     | 7,145        | 7,424         |               |
| Heating and Lighting                                    | 2,580        | 2,113         |               |
| Steward's Motor Expenses                                | 78           | 99            |               |
| Repairs and Renewals                                    | 3,698        | 8,154         |               |
| Refreshments and Entertainment                          | 6,716        | 8,259         |               |
| Hire of Plant and Equipment                             | 120          | 120           |               |
| Postage, Stationery, Telephone, etc                     | 366          | 346           |               |
| Gaming Licences   | 3,642        | 3,642         |               |
| Advertising   | 105          | 15            |               |
| Bank Interest   | 10           | 2             |               |
| Bank Charges  | 376          | 339           |               |
| Accountancy Charges                                     | 2,560        | 2,615         |               |
| Cleaning and Sundry Expenses                            | 2,544        | 2,715         |               |
|   |              | <hr/> 78,253  | <hr/> 90,757  |
| OPERATING (LOSS)  |              | (248)         | (8,201)       |
| Interest Received                                       | 5            | 78            | 289           |
| Income from Unit Trusts                                 |              | 512           | 511           |
|   |              | <hr/>         | <hr/>         |
| PROFIT/(LOSS) ON ORDINARY ACTIVITIES<br>BEFORE TAXATION |              | 342           | (7,401)       |
| Tax on profit/(loss) on ordinary activities             |              | (59)          | (58)          |
|   |              | <hr/>         | <hr/>         |
| PROFIT/(LOSS) ON ORDINARY ACTIVITIES<br>AFTER TAXATION  |              |               |               |
| PROFIT/(LOSS) FOR THE FINANCIAL YEAR                    |              | 283           | (7,459)       |
| Dividends   | 7            | (872)         | (872)         |
| Unclaimed Dividends Forfeited                           |              | -             | 113           |
|   |              | <hr/>         | <hr/>         |
| (LOSS) FOR THE YEAR                                     |              | (589)         | (8,218)       |
| Retained Profit Brought Forward                         |              | 13,422        | 21,640        |
|   |              | <hr/>         | <hr/>         |
| RETAINED PROFIT CARRIED FORWARD                         |              | £ 12,833      | £ 13,422      |
|   |              | <hr/>         | <hr/>         |

MELBOURNE LIBERAL CLUB AND PUBLIC HALL COMPANY LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30TH JUNE 2002

CONTINUING OPERATIONS

None of the Company's activities were acquired or discontinued during the above two financial years.

TOTAL RECOGNISED GAINS AND LOSSES

The Company has no recognised gains or losses other than the loss for the two financial years ended 30th June 2002.

NOTE OF HISTORICAL COST PROFITS AND LOSSES

The difference between the result as disclosed in the profit and loss account and the result on an unmodified historical cost basis is not material. The only adjustment would be for the £770 difference between £905 depreciation on the revalued amount of Freehold Land and Buildings and £135 depreciation on the historical cost basis.

MELBOURNE LIBERAL CLUB AND PUBLIC HALL COMPANY LIMITEDBALANCE SHEETAS AT 30TH JUNE 2002

|   | <u>Notes</u> | <u>2002</u>     | <u>2001</u>     |
|---|--------------|-----------------|-----------------|
| <b>FIXED ASSETS</b>                                   |              |                 |                 |
| Tangible Assets                                       | 8            | 42,190          | 44,860          |
| <b>CURRENT ASSETS</b>                                 |              |                 |                 |
| Stocks  |              | 4,192           | 5,352           |
| Debtors:  |              |                 |                 |
| Trade Debtors   |              | 50              | 332             |
| Prepayments and Accrued Income                        | 9            | 4,262           | 4,229           |
| Investments   | 10           | 40,279          | 40,736          |
| Cash at Bank and in Hand                              |              | 3,422           | 3,986           |
|   |              | <u>52,205</u>   | <u>54,635</u>   |
| <b>CREDITORS: amounts falling due within one year</b> |              |                 |                 |
| Trade Creditors                                       |              | 5,711           | 7,359           |
| Other Creditors Including                             |              |                 |                 |
| Taxation and Social Security                          | 11           | 29,452          | 35,111          |
| Accruals  |              | 5,229           | 2,490           |
| Proposed Dividend                                     |              | 872             | 872             |
| Unclaimed Dividends                                   |              | 485             | 428             |
|   |              | <u>41,749</u>   | <u>46,260</u>   |
| <b>NET CURRENT ASSETS</b>                             |              | <u>10,456</u>   | <u>8,375</u>    |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>          |              | <u>£ 52,646</u> | <u>£ 53,235</u> |
| <b>CAPITAL AND RESERVES</b>                           |              |                 |                 |
| Called up Share Capital                               | 13           | 1,384           | 1,384           |
| Revaluation Reserve                                   | 8            | 38,429          | 38,429          |
| Profit and Loss Account                               |              | 12,833          | 13,422          |
|   |              | <u>£ 52,646</u> | <u>£ 53,235</u> |

MELBOURNE LIBERAL CLUB AND PUBLIC HALL COMPANY LIMITEDBALANCE SHEETAS AT 30TH JUNE 2002

The Company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ending 30 June 2002.

No notice has been deposited under Section 249B(2) of the Companies Act 1985 in relation to its financial statements for the financial year.

The Directors acknowledge their responsibilities 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 the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 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 and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Signed on Behalf of  
the Board of Directors

*M Brown*

Approved by the Board: 22nd November 2002





MELBOURNE LIBERAL CLUB AND PUBLIC HALL COMPANY LIMITED

NOTES TO ACCOUNTS  
FOR THE YEAR ENDED 30TH JUNE 2002

1. ACCOUNTING POLICIES

**Basis of Accounting**

The accounts have been prepared under the historical cost convention, modified by the revaluation of freehold land and buildings. The principal accounting policies which the Directors have adopted are set out below.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:-

|                             |                            |
|-----------------------------|----------------------------|
| Freehold Land and Buildings | 2% Straight line basis     |
| Gaming Machines             | 30% Reducing balance basis |
| Fixtures and Fittings       | 10% Reducing balance basis |

Depreciation is charged for the whole year of acquisition, but none is charged for the year of disposal. No provision is made for the replacement cost of fixed assets.

**Stock**

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

**Deferred Taxation**

Deferred taxation is provided under the liability method in respect of all material timing differences between the profits as computed for taxation purposes and the profits as stated in the financial statements, to the extent that it is probable that a liability or asset will crystallise. The rate of tax used is that which is expected to be applied when the liability or asset is expected to crystallise.

**Operating Leases**

Rentals under operating leases are charged to the profit and loss account as they fall due.

**Cash Flow Statement**

The Company has taken advantage of the exemption provided by Financial Reporting Standard No. 1 from producing a cash flow statement on the grounds that it is a small company.



MELBOURNE LIBERAL CLUB AND PUBLIC HALL COMPANY LIMITED

NOTES TO ACCOUNTS  
FOR THE YEAR ENDED 30TH JUNE 2002

2. TURNOVER

Turnover is the amount, stated net of value added tax, derived from the provision of goods and services falling within the Company's ordinary activities, and is made up as follows:-

|                               | <u>2002</u>     | <u>2001</u>     |
|-------------------------------|-----------------|-----------------|
| Bar Sales                     | 141,447         | 148,723         |
| Gaming Machine Receipts       | 17,076          | 19,129          |
| Members' Subscriptions        | 441             | 462             |
| Hall Lettings                 | 2,173           | 1,901           |
| Snooker Receipts              | 1,034           | 1,002           |
| Cigarette Machine Commissions | 84              | 151             |
| Net Income from Raffles       | 500             | 829             |
| Bass Discount                 | 3,999           | 6,324           |
|                               | <u>£166,754</u> | <u>£178,521</u> |

Bar trading showed a gross profit percentage on sales of 37.26% (2001 35.47%) as follows:-

|                     |                 |                 |
|---------------------|-----------------|-----------------|
| Sales               | 141,447         | 148,723         |
| Less: Cost of Sales | 88,749          | 95,965          |
| Gross Profit        | <u>£ 52,698</u> | <u>£ 52,758</u> |

Net income from gaming machines was as follows:-

|                |                |                 |
|----------------|----------------|-----------------|
| Receipts       | 17,076         | 19,129          |
| Less: Licences | 3,642          | 3,642           |
|                | <u>£13,434</u> | <u>£ 15,487</u> |

3. STAFF COSTS

|                                  |                 |                 |
|----------------------------------|-----------------|-----------------|
| Remuneration - Paid to Directors | 20,949          | 20,614          |
| - Paid to Others                 | 22,819          | 29,467          |
| Social Security Costs            | 1,875           | 1,920           |
|                                  | <u>£ 45,643</u> | <u>£ 52,001</u> |

The average number of employees who worked more than sixteen hours per week during the year was as follows:-

|                        |   |   |
|------------------------|---|---|
| Management and Office  | 2 | 2 |
| Cleaners and Bar Staff | 3 | 3 |

4. DIRECTORS' EMOLUMENTS Included  
in Staff Costs

|                                     |                 |                 |
|-------------------------------------|-----------------|-----------------|
| In Respect of Services as Directors | 156             | 160             |
| In Respect of Services as Steward   | 17,376          | 16,908          |
| In Respect of Services as Secretary | 3,417           | 3,546           |
|                                     | <u>£ 20,949</u> | <u>£ 20,614</u> |

MELBOURNE LIBERAL CLUB AND PUBLIC HALL COMPANY LIMITEDNOTES TO ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2002

|  |  |                            |                                    |              |
|--|--|----------------------------|------------------------------------|--------------|
| 5. <u>INTEREST RECEIVED</u>                    |  | <u>2002</u>                | <u>2001</u>                        |              |
| Bank Accounts                                  |  | 18                         | 202                                |              |
| Building Society Account                       |  | 60                         | 87                                 |              |
|  |  | <hr/>                      | <hr/>                              |              |
|  |  | £ 78                       | £ 289                              |              |
|  |  | <hr/>                      | <hr/>                              |              |
| 6. <u>TAX ON PROFIT ON ORDINARY ACTIVITIES</u> |  |                            |                                    |              |
| Based on the Profit/(Loss) for the Year        |  |                            |                                    |              |
| Corporation Tax at 10%/0%                      |  | -                          | -                                  |              |
| Tax attributable to Franked Investment Income  |  | 59                         | 58                                 |              |
|  |  | <hr/>                      | <hr/>                              |              |
|  |  | £ 59                       | £ 58                               |              |
|  |  | <hr/>                      | <hr/>                              |              |
| 7. <u>DIVIDENDS</u>                            |  |                            |                                    |              |
| Proposed                                       |  | £ 872                      | £ 872                              |              |
|  |  | <hr/>                      | <hr/>                              |              |
| 8. <u>TANGIBLE FIXED ASSETS</u>                |  |                            |                                    |              |
|  | <u>Freehold<br/>Land and<br/>Buildings</u> | <u>Gaming<br/>Machines</u> | <u>Fixtures<br/>&amp; Fittings</u> | <u>Total</u> |
| <b>COST OR VALUATION</b>                       |  |                            |                                    |              |
| At 1.7.01                                      | 45,216                                     | 2,527                      | 41,522                             | 89,265       |
|  | <hr/>                                      | <hr/>                      | <hr/>                              | <hr/>        |
| At 30.6.02                                     | 45,216                                     | 2,527                      | 41,522                             | 89,265       |
|  | <hr/>                                      | <hr/>                      | <hr/>                              | <hr/>        |
| <b>DEPRECIATION</b>                            |  |                            |                                    |              |
| At 1.7.01                                      | 17,035                                     | 2,039                      | 25,331                             | 44,405       |
| Charge for the year                            | 905  | 146                        | 1,619                              | 2,670        |
|  | <hr/>                                      | <hr/>                      | <hr/>                              | <hr/>        |
| At 30.6.02                                     | 17,940                                     | 2,185                      | 26,950                             | 47,075       |
|  | <hr/>                                      | <hr/>                      | <hr/>                              | <hr/>        |
| <b>NET BOOK VALUE</b>                          |  |                            |                                    |              |
| At 30.6.02                                     | £ 27,276                                   | £ 342                      | £ 14,572                           | £ 42,190     |
|  | <hr/>                                      | <hr/>                      | <hr/>                              | <hr/>        |
| At 30.6.01                                     | £ 28,181                                   | £ 488                      | £ 16,191                           | £ 44,860     |

The Company's freehold property was valued by Maynard & Co. on 23 January 1984. In their opinion the open market value for the existing use at that time was £40,000 as compared with the original cost of £1,571. The valuation has been incorporated in the balance sheet and the surplus of £38,429 over original cost is included in the revaluation reserve. Depreciation each year is based on the amount of the revaluation. Any potential deferred tax on the revaluation has not been quantified as the amount would not be significant and the property is retained for use in the business and the likelihood of any material liability arising is remote.

MELBOURNE LIBERAL CLUB AND PUBLIC HALL COMPANY LIMITED

NOTES TO ACCOUNTS  
FOR THE YEAR ENDED 30TH JUNE 2002

8. TANGIBLE FIXED ASSETS (continued)

In view of the insignificant amount involved, no attempt has been made to exclude the value of the land from the value of land and buildings in arriving at the depreciation charge. On an historical cost basis, land and buildings would have been included as follows:-

|                          | <u>2002</u>    | <u>2001</u>    |
|--------------------------|----------------|----------------|
| Cost                     | 6,786          | 6,786          |
| Accumulated Depreciation | 2,459          | 2,324          |
| Net Book Value           | <u>£ 4,327</u> | <u>£ 4,462</u> |

9. PREPAYMENTS AND DEFERRED INCOME

|                                |                |                |
|--------------------------------|----------------|----------------|
| Payments in Advance            | 3,935          | 3,902          |
| Shadow Advance Corporation Tax | 327            | 327            |
|                                | <u>£ 4,262</u> | <u>£ 4,229</u> |

10. INVESTMENTS

|  |                 |                 |
|--|-----------------|-----------------|
| Derbyshire Building Society                              | 1,583           | 2,360           |
| Unit Trusts - Listed                                     | 38,696          | 38,376          |
|  | <u>£ 40,279</u> | <u>£ 40,736</u> |
| The Market Value of the Unit Trusts<br>at 30th June 2002 | <u>£ 64,999</u> | <u>£ 77,117</u> |

If the Unit Trusts investments were realised at their market value the liability to taxation on the capital gain would amount to approximately £ 5,700.

11. OTHER CREDITORS INCLUDING  
TAXATION AND SOCIAL SECURITY

|                             |                 |                 |
|-----------------------------|-----------------|-----------------|
| PAYE and National Insurance | 788             | 1,445           |
| Value Added Tax             | 2,851           | 3,814           |
| Other Creditors             | 1,614           | 2,959           |
| Bass Write-Off Loan         | 24,199          | 26,893          |
|                             | <u>£ 29,452</u> | <u>£ 35,111</u> |

MELBOURNE LIBERAL CLUB AND PUBLIC HALL COMPANY LIMITED

NOTES TO ACCOUNTS  
FOR THE YEAR ENDED 30TH JUNE 2002

12. DEFERRED TAXATION

As there is no likelihood of any liability arising for the foreseeable future no provision has been made. The amount of unprovided deferred tax is as follows:-

|                                | <u>2002</u> | <u>2001</u> |
|--------------------------------|-------------|-------------|
| Accelerated Capital Allowances | 864         | 1,486       |
| Losses                         | (2,852)     | (6,725)     |
|                                | <hr/> Nil   | <hr/> Nil   |
|                                | <hr/> <hr/> | <hr/> <hr/> |

13. CALLED UP SHARE CAPITAL

|                                   |             |             |
|-----------------------------------|-------------|-------------|
| Authorised:                       |             |             |
| 4,000 ordinary shares of 50p each | £ 2,000     | £ 2,000     |
|                                   | <hr/>       | <hr/>       |
| Allotted, issued and fully paid:  |             |             |
| 2,768 ordinary shares of 50p each | £ 1,384     | £ 1,384     |
|                                   | <hr/>       | <hr/>       |
|                                   | <hr/> <hr/> | <hr/> <hr/> |

14. CAPITAL COMMITMENTS

|   |     |     |
|---|-----|-----|
| Contracted, but not provided for<br>in the accounts | Nil | Nil |
|---|-----|-----|

15. MEMBERSHIP

|                |             |             |
|----------------|-------------|-------------|
| Men Under 65   | 400         | 391         |
| Men Over 65    | 61          | 67          |
| Women Under 60 | 275         | 274         |
| Women Over 60  | 76          | 74          |
|                | <hr/> 812   | <hr/> 806   |
|                | <hr/> <hr/> | <hr/> <hr/> |

16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

|   |             |               |
|---|-------------|---------------|
| Profit/(Loss) for the financial year<br>after taxation            | 283         | (7,459)       |
| Dividends   | (872)       | (872)         |
| Unclaimed dividends forfeited                                     | -           | 113           |
|   | <hr/> (589) | <hr/> (8,218) |
| Opening Shareholders' Funds                                       | 53,235      | 61,453        |
|   | <hr/>       | <hr/>         |
| Closing Shareholders' Funds<br>(attributable to equity interests) | £ 52,646    | £ 53,235      |
|   | <hr/> <hr/> | <hr/> <hr/>   |

