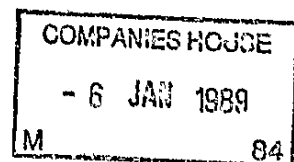


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WAVERTREE RECREATION COMPANY (1921) LIMITED

REPORT AND ACCOUNTS - 1987



WAVERTREE RECREATION COMPANY (1921) LIMITED

REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 OCTOBER 1987

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WAVERTREE RECREATION COMPANY (1921) LIMITED

REPORT OF THE DIRECTORS

The directors submit their report and the accounts for the year ended 31 October 1987

ACTIVITIES

The principal activity of the company continued to be the operation of a licensed club.

RESULTS

The net loss for the year amounted to £3,565
The Directors do not recommend payment of a dividend.

FIXED ASSETS

The directors are of the opinion that the present market value of the company's freehold property is approximately the same as its book value.

DIRECTORS

The directors during the year and their interests in the ordinary share capital of the company were as follows:

	Number of Shares	
	<u>31.10.87</u>	<u>31.10.86</u>
W. Washington	360	360
H.J. Garner	10	10
B. Washington	327	327
D. Washington	327	327

Mr. W. Washington retires under the articles of association but, being eligible, offers himself for re-election.

AUDITORS

Messrs. J. & D. Pennington have signified their willingness to continue in office as Auditors and a resolution appointing them will be submitted to the Annual General Meeting.

BY ORDER OF THE BOARD

S. Washington Washington
(Secretary)

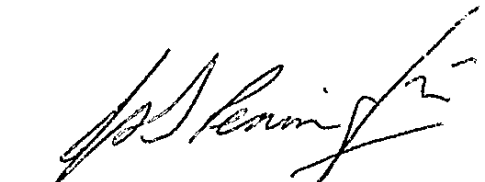
WAVERTREE RECREATION COMPANY (1921) LIMITED

AUDITORS REPORT YEAR ENDED 31 OCTOBER 1987

We have audited the accounts on pages 4 to 9 in accordance with approved auditing standards.

In our opinion, the accounts, which have been prepared under the historical cost convention give a true and fair view of the state of the Company's affairs at 31 October 1987 and of the loss and source and application of funds for the year ended on that date and comply with the Companies Act 1985.

55 HOGHTON STREET
SOUTHPORT


J. & D. PENNINGTON
CHARTERED ACCOUNTANTS

WAVERTREE RECREATION COMPANY (1921) LIMITED

PROFIT AND LOSS ACCOUNT YEAR ENDED 31 OCTOBER 1987

	<u>1987</u>	<u>1986</u>
Turnover (note 2)	142,471	128,623
Cost of Sales	<u>120,113</u>	<u>100,293</u>
GROSS PROFIT	22,358	28,330
Administration and other Expenses	<u>25,307</u>	<u>32,603</u>
OPERATING LOSS	(2,949)	(4,273)
Net Interest Paid/Received (note 3)	<u>(616)</u>	<u>2,111</u>
LOSS on Ordinary Activities before Taxation (note 4)	(3,565)	(2,162)
Taxation (note 6)	<u>-</u>	<u>-</u>
LCSS for the financial year	(3,565)	(2,162)
Retained Profit brought forward	<u>50,376</u>	<u>52,538</u>
RETAINED PROFIT at 31 October 1987	<u><u>46,811</u></u>	<u><u>50,376</u></u>

WAVERTREE RECREATION COMPANY (1921) LIMITED

BALANCE SHEET AS AT 31 OCTOBER 1987

	<u>1987</u>	<u>1986</u>
FIXED ASSETS		
Tangible Assets (note 7)	89,807	79,715
CURRENT ASSETS		
Stocks (note 8)	4,088	3,418
Debtors (note 9)	1,510	151
Short-term Deposit	25,000	25,000
Cash and Bank Balances	13,819	25,159
	<u>44,417</u>	<u>53,728</u>
LESS CURRENT LIABILITIES		
Bank Overdraft	13,062	-
Creditors due within one year (note 10)	31,189	32,966
	<u>44,251</u>	<u>32,966</u>
NET CURRENT ASSETS	<u>166</u>	<u>20,762</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	89,973	100,477
CREDITORS DUE AFTER MORE THAN ONE YEAR (note 11)	<u>40,519</u>	<u>47,458</u>
NET ASSETS	<u><u>49,454</u></u>	<u><u>53,019</u></u>
CAPITAL AND RESERVES		
Called-up Share Capital (note 12)	2,643	2,643
Profit and Loss Account	46,811	50,376
SHAREHOLDERS' FUND	<u><u>49,454</u></u>	<u><u>53,019</u></u>

Approved by the board and signed on its behalf

..... W. Washington Chairman

..... B. Washington Director

W. Washington
B. Washington

WAVERTREE RECREATION COMPANY (1921) LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

YEAR ENDED 31 OCTOBER 1987

	<u>1987</u>	<u>1986</u>
SOURCES		
Operations:		
Loss before Tax	(3,565)	(2,162)
Depreciation Charges	<u>3,335</u>	<u>2,973</u>
	(230)	811
Other:		
Secured Loan	<u>-</u>	<u>40,000</u>
	(230)	40,811
	<u> </u>	<u> </u>
Expenditure on Tangible Fixed Assets:	13,427	29,595
Secured Loan Repayments	4,947	1,843
Working Capital:		
Stocks	670	(157)
Debtors	1,359	(407)
Creditors	<u>3,769</u>	<u>(12,506)</u>
	5,798	(13,070)
	<u> </u>	<u> </u>
	(24,172)	18,368
	<u> </u>	<u> </u>
Decrease/Increase in Funds	<u>(24,402)</u>	<u>22,443</u>
Represented by:		
Decrease/Increase in Cash and Bank Balances	<u>(24,402)</u>	<u>22,443</u>

WAVERTREE RECREATION COMPANY (1921) LIMITED

NOTES TO THE ACCOUNTS AT 31 OCTOBER 1987

1. ACCOUNTING POLICIES

(a) Basis of Accounting:

The accounts have been prepared under the historical cost basis of accounting.

(b) Depreciation:

Depreciation is calculated to write off the cost of tangible fixed assets by equal annual instalments over their estimated useful lives as follows:

Freehold Property	50 years
Furniture and Equipment	10 years

(c) Stocks:

Stocks have been valued at the lower of cost and net realisable value.

2. TURNOVER

Turnover represents the value of bar sales and related activities.

3. NET INTEREST PAID/RECEIVED

	<u>1987</u>	<u>1986</u>
Interest earned on Bank and Short-Term Deposits	2,886	2,932
Interest paid on Secured Loans	(3,018)	(802)
Interest on Bank Overdraft	(484)	(19)
	<u>(616)</u>	<u>2,111</u>

4. LOSS ON ORDINARY ACTIVITIES BEFORE TAX

	<u>1987</u>	<u>1986</u>
Loss on Ordinary Activities before Tax is stated after the following charges:		
Depreciation	3,335	2,973
Directors Remuneration	7,987	7,530
Staff Costs	17,265	17,547
Audit Fee	350	350

WAVERTREE RECREATION COMPANY (1921) LIMITED

NOTES TO THE ACCOUNTS at 31st October 1987(continued)

5.	<u>STAFF COSTS</u>	<u>1987</u> <u>Number</u>	<u>1986</u> <u>Number</u>	
Average weekly number of persons employed by the Company:				
Directors and Management		4	4	
Operating		3	3	
		<u>7</u>	<u>7</u>	
Employee Costs:		<u>1987</u>	<u>1986</u>	
Directors Remuneration		7,987	7,530	
Wages		15,294	15,587	
Social Security Costs		1,971	1,960	
		<u>25,252</u>	<u>25,077</u>	
6.	<u>TAX</u>	<u>1987</u>	<u>1986</u>	
Relief for Losses		(130)	-	
Corporation Tax at 30%		-	130	
Advance Corporation Tax Recoverable		(130)	130	
		<u>-</u>	<u>-</u>	
7.	<u>TANGIBLE FIXED ASSETS</u>	<u>Freehold</u> <u>Property</u>	<u>Furniture &</u> <u>Equipment</u>	<u>Total</u>
Cost 1 November 1986		82,390	13,229	95,619
Additions		12,260	1,167	13,427
Cost 31 October 1987		<u>94,650</u>	<u>14,396</u>	<u>109,046</u>
Depreciation 1 November 1986		11,860	4,044	15,904
Charge for the year		1,895	1,440	3,335
Depreciation 31 October 1987		<u>13,755</u>	<u>5,484</u>	<u>19,239</u>
Net Book Value 31 October 1987		<u>80,895</u>	<u>8,912</u>	<u>89,807</u>
Net Book Value 31 October 1986		<u>70,530</u>	<u>9,185</u>	<u>79,715</u>

WAVERTREE RECREATION COMPANY (1921) LIMITED

NOTES TO THE ACCOUNTS at 31st October 1987 (continued)

8.	<u>STOCKS</u>	<u>1987</u>	<u>1986</u>
	Stocks comprise goods for resale	<u>10,088</u>	<u>3,418</u>
9.	<u>DEBTORS</u>		
	Prepayments and Accrued Income	1,510	110
	Other Debtors	-	41
		<u>1,510</u>	<u>151</u>
10.	<u>CREDITORS DUE WITHIN ONE YEAR</u>		
	Trade Creditors	16,032 ✓	21,036
	Accruals	1,280 ✓	630
	Value Added Tax	1,557 x	64
	Social Security and Payroll Taxes	696 x	968
	Secured Loan Instalments	7,835	5,843
	Interest Free Unsecured Loans	3,789 x	4,425
		<u>31,189</u>	<u>32,966</u>
11.	<u>CREDITORS DUE AFTER MORE THAN ONE YEAR</u>		
	5% secured loan repayable over more than 5 yrs	11,245	13,301
	6% secured loan repayable over more than 5 yrs	37,109	40,000
		<u>48,354</u>	<u>53,301</u>
	<u>Less:</u> Repayable within 1 year	7,835	5,843
		<u>40,519</u>	<u>47,458</u>
12.	<u>CALLED UP SHARE CAPITAL</u>		
	Authorised:		
	10,000 Ordinary Shares of £1 each	10,000	10,000
	Allotted, Called-Up and Fully Paid:		
	2,643 Ordinary Shares of £1 each	2,643	2,643
13.	<u>CAPITAL COMMITMENTS</u>		
	Authorised and Contracted for	2,903	9,960
	Authorised but not contracted for	Nil	Nil

WAVERTREE RECREATION COMPANY (1921) LIMITED

DETAILED PROFIT AND LOSS ACCOUNT YEAR ENDED 31 OCTOBER 1987

	<u>1987</u>	<u>1986</u>
BAR TRADING		
Sales	132,189	117,104
Purchases	<u>80,782</u>	<u>63,506</u>
GROSS PROFIT	51,407	53,598
EXPENSES		
Directors Remuneration	7,987	7,530
Wages	17,265	17,547
Licences	909	1,122
Consumables	283	537
Bingo and Disco Expenses	3,165	1,870
Stocktaking Expenses	<u>294</u>	<u>504</u>
	29,903	29,110
	<u>21,504</u>	<u>24,488</u>
OTHER TRADING INCOME		
Gaming Machine	7,259	7,180
Room Hire	1,051	2,018
Snooker	1,378	1,627
Juke Box	148	156
Rents Receivable	110	182
Members Subscriptions	<u>336</u>	<u>356</u>
	10,282	11,519
	<u>31,786</u>	<u>36,007</u>
OVERHEADS		
Rates	3,923	3,798
Heat and Light	5,505	3,879
Insurance	3,031	2,221
Travel Expenses	697	939
Repairs and Renewals	1,694	10,123
Postage, Stationery, Telephone and Advertising	4,243	2,601
Audit and Accountancy Fees	900	850
Equipment Hire	3,875	4,210
Bank Charges and Interest	1,004	622
Other Interest	3,018	802
Professional Charges	-	1,216
Depreciation	3,335	2,973
Administration Fee	5,700	5,700
Sundry	<u>1,312</u>	<u>1,168</u>
	38,237	41,102
OPERATING LOSS	<u>(6,451)</u>	<u>(5,095)</u>
INTEREST RECEIVED	2,886	2,933
NET LOSS for the year	<u>(3,565)</u>	<u>(2,162)</u>