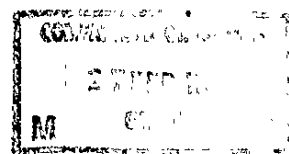


177455

WAVERTREE RECREATION COMPANY (1921) LIMITED

REPORT AND ACCOUNTS - 1986



WAVERTREE RECREATION COMPANY (1921) LIMITED

REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 OCTOBER 1986

<u>CONTENTS</u>	<u>Pages</u>
Report of the directors	2
Report of the auditors	3
Profit and Loss account	4
Balance Sheet	5
Source and use of funds	6
Notes to the accounts	7 - 9

WAVERTREE RECREATION COMPANY (1921) LIMITED

REPORT OF THE DIRECTORS

The directors submit their report and the accounts for the year ended 31 October 1986

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 £2,162.

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>1.11.85</u>	<u>31.10.86</u>
W. Washington	334	360
H.J. Garner	10	10
B. Washington	327	327
D. Washington	327	327

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

AUDITORS

Messrs. J. & D. Pennington, who have been acting as Auditors following the resignation of Blease Lloyd & Co., in February 1987, have signified their willingness to continue in office and a resolution appointing them will be submitted to the Annual General Meeting.

BY ORDER OF THE BOARD

M.A. Hamington
.....
(secretary)

WAVERTREE RECREATION COMPANY (1921) LIMITED

AUDITORS REPORT YEAR ENDED 31 OCTOBER 1986

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 1986 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 1986

	<u>1986</u>	<u>1985</u>
Turnover (note 2)	128,623	114,236
Cost of Sales	<u>100,293</u>	<u>88,818</u>
GROSS PROFIT	28,330	25,418
Administration and other Expenses	<u>32,603</u>	<u>17,350</u>
OPERATING (LOSS)/PROFIT	(4,273)	8,068
Net Interest received (note 3)	<u>2,111</u>	<u>1,643</u>
(LOSS)PROFIT on Ordinary Activities before Taxation (note 4)	(2,162)	9,711
Taxation (note 7)	<u>-</u>	<u>-</u>
(LOSS)PROFIT for the financial year	(2,162)	9,711
Retained Profit brought forward	<u>52,538</u>	<u>42,827</u>
RETAINED PROFIT at 31 October 1986	<u>50,376</u>	<u>52,538</u>

WAVERTREE RECREATION COMPANY (1921) LIMITED

BALANCE SHEET AT 31 OCTOBER 1986

	<u>1986</u>	<u>1985</u>
FIXED ASSETS		
Tangible Assets (note 8)	79,715	53,093
CURRENT ASSETS		
Stocks (note 9)	3,418	3,575
Debtors (note 10)	151	558
Short-term deposit	25,000	25,000
Cash and Bank Balances	25,159	2,716
	<u>53,728</u>	<u>31,849</u>
LESS CURRENT LIABILITIES		
Creditors due within one year (note 11)	<u>32,966</u>	<u>16,417</u>
NET CURRENT ASSETS	<u>20,762</u>	<u>15,432</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	100,477	68,525
CREDITORS DUE AFTER MORE THAN ONE YEAR (note 12)	<u>47,458</u>	<u>13,344</u>
NET ASSETS	<u>53,019</u>	<u>55,181</u>
CAPITAL AND RESERVES		
Called-up Share Capital (note 13)	2,643	2,643
Profit and Loss Account	50,376	52,538
SHAREHOLDERS' FUND	<u>53,019</u>	<u>55,181</u>

Approved by the board and signed on its behalf

.....*B. Washington*..... Chairman

B. Washington..... Director

WAVERTREE RECREATION COMPANY (1921) LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

YEAR ENDED 31 OCTOBER 1986

	<u>1986</u>	<u>1985</u>
SOURCES		
Operations:		
(Loss)/Profit before tax	(2,162)	9,711
Depreciation Charges	<u>2,973</u>	<u>2,032</u>
	811	11,743
Other:		
Secured Loan	<u>40,000</u>	<u>—</u>
	<u>40,811</u>	<u>11,743</u>
Expenditure on Tangible Fixed Assets:	29,595	633
Secured Loan Repayments	<u>1,843</u>	<u>1,554</u>
Working Capital:		
Stocks	(157)	375
Debtors	(407)	179
Creditors	<u>(12,506)</u>	<u>3,651</u>
	<u>(13,070)</u>	<u>—</u>
	<u>18,368</u>	<u>6,392</u>
Increase in Funds	<u>22,443</u>	<u>5,351</u>
Represented by:		
Increase in Cash and Bank Balances	<u>22,443</u>	<u>5,351</u>

WAVERTREE RECREATION COMPANY (1921) LIMITED

NOTES TO THE ACCOUNTS AT 31 OCTOBER 1986

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 RECEIVED

	<u>1986</u>	<u>1985</u>
Interest earned on Bank and short-term Deposits	2,932	2,954
Interest paid on 5% Secured Loan	(802)	(791)
Interest on Bank Overdraft	(19)	(520)
	<u>2,111</u>	<u>1,643</u>

4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAX

	<u>1986</u>	<u>1985</u>
Profit on Ordinary Activities before Tax is stated after the following charges:		
Depreciation	2,973	2,032
Staff Costs (see note 5)	25,077	18,026
Audit Fee	350	350
	<u>28,400</u>	<u>20,408</u>

WAVERTREE RECREATION COMPANY (1921) LIMITED

NOTES TO THE ACCOUNTS (continued at 31 October 1986)

5. <u>STAFF COSTS</u>	1986 Number	1985 Number
Average weekly number of persons employed by the Company:		
Operating	5 =	4 =
Employee Costs	<u>1986</u>	<u>1985</u>
Wages	23,117	16,501
Social Security Costs	1,960	1,525
	<u>25,077</u>	<u>18,026</u>

6. DIRECTORS' EMOLUMENTS
The directors received no remuneration for their services to the Company.

7. <u>TAX</u>	1986	1985
Corporation tax at 30%	130	3,362
Advance Corporation Tax Recoverable	130	3,362
	-	-
	<u>-</u>	<u>-</u>

8. <u>TANGIBLE FIXED ASSETS</u>	Freehold Property	Furniture & Equipment	Total
Cost 1 November 1985	56,902	9,122	66,024
Additions	25,488	4,107	29,595
Cost 31 October 1986	<u>82,390</u>	<u>13,229</u>	<u>95,619</u>
Depreciation 1 November 1985	10,210	2,721	12,931
Charge for the year	1,650	1,323	2,973
Depreciation 31 October 1986	<u>11,860</u>	<u>4,044</u>	<u>15,904</u>
Net Book Value 31 October 1986	<u>70,530</u>	<u>9,185</u>	<u>79,715</u>
Net Book Value 31 October 1985	<u>46,692</u>	<u>6,401</u>	<u>53,093</u>

WAVERTREE RECREATION COMPANY (1921) LIMITED

NOTES TO THE ACCOUNTS (continued at 31 October 1986)

	<u>1986</u>	<u>1985</u>
9. <u>STOCKS</u>		
Stocks comprise goods for resale	<u>3,418</u>	<u>3,575</u>
10. <u>DEBTORS</u>		
Prepayments and Accrued Income	110	558
Other Debtors	<u>41</u>	<u>-</u>
	<u>151</u>	<u>558</u>
11. <u>CREDITORS DUE WITHIN ONE YEAR</u>		
Trade Creditors	21,036	6,417
Accruals	630	835
Value Added Tax	64	1,365
Social Security and Payroll Taxes	968	-
Secured Loan Instalments	5,843	1,800
Interest Free Unsecured Loans	<u>4,425</u>	<u>6,000</u>
	<u>32,966</u>	<u>16,417</u>
12. <u>CREDITORS DUE AFTER MORE THAN ONE YEAR</u>		
5% secured loan repayable over more than 5 yrs	13,301	15,144
6% secured loan repayable over more than 5 yrs	<u>40,000</u>	<u>-</u>
	53,301	15,144
Less: Repayable within 1 yr.	<u>5,843</u>	<u>1,800</u>
13. <u>CALLED UP SHARE CAPITAL</u>	<u>47,458</u>	<u>13,344</u>
Authorised:		
10,000 Ordinary Shares of £1 each	<u>10,000</u>	<u>10,000</u>
Allotted, Called-Up and Fully Paid:		
2,643 Ordinary Shares of £1 each	<u>2,643</u>	<u>2,643</u>
14. <u>CAPITAL COMMITMENTS</u>		
Authorised and Contracted for	<u>9,960</u>	<u>Nil</u>
Authorised but not contracted for	<u>Nil</u>	<u>Nil</u>