

BOURNEMOUTH SPORTS CLUB LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED

30TH APRIL 1997



BOURNEMOUTH SPORTS CLUB LIMITED

REPORT OF THE AUDITORS TO THE DIRECTORS OF BOURNEMOUTH SPORTS CLUB LIMITED
PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 3 & 4 together with the full accounts of Bournemouth Sports Club Limited for the year ended 30th April 1997.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Schedule 8 of the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 3 and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited accounts, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those accounts. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full accounts.

Opinion

In our opinion the company is entitled under Sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 of that Act in respect of the year ended 30th April 1997 and the abbreviated accounts on pages 3 & 4 have been properly prepared in accordance with that Schedule.

Other information

On we reported, as auditors of Bournemouth Sports Club Limited, to the members on the accounts prepared under Section 226 of the Companies Act 1985 for the year ended 30th April 1997 and our audit report was as follows:

'We have audited the accounts on pages 6 to 12 which have been prepared under the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Standards Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

BOURNEMOUTH SPORTS CLUB LIMITED

REPORT OF THE AUDITORS TO THE DIRECTORS OF BOURNEMOUTH SPORTS CLUB LIMITED
PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985 (CONTINUED)

Basis of opinion (continued)

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 accounts 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 the information in the accounts.

Fundamental uncertainty

i) In forming our opinion, we have considered the company's policy of maintaining the freehold buildings in such a state of repair that their residual value is at least equal to their book value. We have also considered the statement in the directors' report that the directors are of the opinion that the freehold land and buildings are of a specialised use and that their present value is not significantly different from the amount at which they are stated in the accounts. No evidence of the current market value of the land and buildings is available, and we are therefore unable to confirm whether there has been any permanent diminution in their value at the balance sheet date. Our opinion is not qualified in this respect.


ii) In forming our opinion, we have considered the adequacy of the disclosures made in the accounts concerning the possible outcome of a VAT inspection after the year end. The future settlement of any dispute with Customs & Excise could result in additional liabilities. Details of the circumstances relating to this fundamental uncertainty are included in note 17 to the accounts. Our opinion is not qualified in this respect.

Qualified opinion arising from disagreement about accounting treatment

As explained in note 1 no provision has been made for the depreciation of freehold buildings. This is not in accordance with the requirements of Statement of Standard Accounting Practice No. 12 and of Schedule 4 of the Companies Act 1985. Depreciation for the year, provided in accordance with the relevant Statement of Standard Accounting Practice, would amount to approximately £36,000. The effect of the company's accounting policy has been to understate the company's loss before and after tax by this amount. Prior years' losses before and after tax have been similarly understated. The cumulative effect of providing depreciation on freehold buildings from the date of their completion to the balance sheet date would be to reduce the net book value as shown by approximately £252,000.

Except for the absence of the provision described above, in our opinion the accounts give a true and fair view of the state of the company's affairs at 30th April 1997 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.'

73 East Borough
Wimborne, Dorset
BH21 1PJ
19th December 1997


PRINCE, CROFT & BALL
Chartered Accountants
Registered Auditors

BOURNEMOUTH SPORTS CLUB LIMITED
ABBREVIATED BALANCE SHEET
AT 30TH APRIL 1997

	<u>Notes</u>	<u>1997</u>	<u>1996</u>
		£	£
FIXED ASSETS			
Tangible assets	3	3,196,112	3,190,566
CURRENT ASSETS			
Stocks		16,678	12,242
Debtors		34,043	25,089
Cash at bank and in hand		218,489	233,026
		<u>269,210</u>	<u>270,357</u>
CREDITORS - amounts falling due within one year		125,648	100,390
NET CURRENT ASSETS		<u>143,562</u>	<u>169,967</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,339,674</u>	<u>3,360,533</u>
CAPITAL AND RESERVES			
Called up share capital	2	3,065	3,065
Profit and loss account		3,336,609	3,357,468
SHAREHOLDERS' FUNDS		<u>3,339,674</u>	<u>3,360,533</u>

We have taken advantage of the exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985 to deliver an abbreviated balance sheet and notes on the grounds that the company qualifies as small under Section 246 and 247 of that Act.

Approved by the board
and signed on its behalf by:



B.G.Ford
Director

Date: 17 September 1997

The notes on page 4 form part of these abbreviated accounts.

BOURNEMOUTH SPORTS CLUB LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 30TH APRIL 1997

1. ACCOUNTING POLICIES

a) BASIS OF ACCOUNTING

The abbreviated accounts are prepared under the historical cost convention.

b) DEPRECIATION

No depreciation is provided on freehold land.

No depreciation is provided on freehold buildings although this is a divergence from SSAP 12 on accounting for depreciation. It is the policy of the company to maintain the freehold buildings in such a state of repair that their residual value is at least equal to their book value. Depreciation is provided on all other tangible fixed assets in use, at rates and bases calculated to write off the cost or valuation less estimated residual value, of each asset over its expected useful life, as follows:

Fixtures, fittings

and equipment

- 10% per annum on cost

c) STOCK

Stock is valued at the lower of cost and net realisable value. Cost is determined on a first in, first out basis.

d) FINANCIAL REPORTING STANDARD No.1 - CASH FLOW STATEMENTS

As permitted by Financial Reporting Standard No.1 the company has not produced a cash flow statement on the grounds that it has satisfied the conditions exempting it as a small company.

2. SHARE CAPITAL

	<u>1997</u> £	<u>1996</u> £
Authorised:		
6,000 Ordinary shares of £1 each	6,000	6,000
Allotted, called up and fully paid:		
3,065 Ordinary shares of £1 each	3,065	3,065

3. MOVEMENTS IN TANGIBLE FIXED ASSETS

	<u>1997</u> £	<u>1996</u> £
Cost		
At 1st May 1996	3,301,250	3,296,049
Additions	28,613	5,201
At 30th April 1997	3,329,863	3,301,250
Depreciation		
At 1st May 1996	110,684	88,889
Provision for the year	23,067	21,795
At 30th April 1997	133,751	110,684
Net book value at 30th April 1997	3,196,112	3,190,566