

Company Registration No. 895896

FERRARI OWNERS' CLUB LIMITED

Report and Financial Statements

31 October 2005



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FERRARI OWNERS' CLUB LIMITED

DIRECTORS' REPORT **Year ended 31 October 2005**

The directors present their annual report and the audited financial statements for the year ended 31 October 2005.

ACTIVITIES

The principal activity of the company is to promote the sport and pastime of motoring as it applies to owners of Ferrari cars.

EXEMPTIONS

This report has been prepared in accordance with the special provisions relating to small companies under section 246 of the Companies Act 1985.

REVIEW OF DEVELOPMENTS

The company has continued to perform in accordance with the directors' expectations. The company is well placed to continue providing services to the members of the Club.

These reserves are being built to enable the purchase of property that will be used by the Club for its offices, library etc. in the future.

FUTURE PROSPECTS

It is anticipated that the established pattern of activities will continue next year on the same basis as previously.

DIRECTORS AND THEIR INTERESTS

J M Swift

C A A Mineeff

R N Allen

J G S Sears

J F Warner

The shareholding is held by nominees in trust for, and at the disposal of, the members of the Club. None of the directors have any beneficial interest in the share capital of the company.

FERRARI OWNERS' CLUB LIMITED

DIRECTORS' REPORT

Year ended 31 October 2005

STATEMENT OF DIRECTORS' RESPONSIBILITIES

United Kingdom Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the income and expenditure of the company for that period. In preparing those financial statements, 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 financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements 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.

AUDITORS

Deloitte & Touche LLP have expressed their willingness to continue in office as auditors of the company and a resolution to reappoint them as the company's auditors will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



J G S SEARS

Chairman

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FERRARI OWNERS' CLUB LIMITED

We have audited the financial statements of Ferrari Owners' Club Limited for the year ended 31 October 2005, which comprise the income and expenditure account, the balance sheet and the related notes (1 to 11). These statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002) and under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the statement of directors responsibilities the company's directors are responsible for the preparation of financial statements in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements.

Basis of audit opinion

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

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 financial statements 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 information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 October 2005 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985 applicable to small companies.

Deloitte & Touche LLP

Deloitte & Touche LLP

Chartered Accountants and

Registered Auditors

Nottingham

23 January 2006

FERRARI OWNERS' CLUB LIMITED

INCOME AND EXPENDITURE ACCOUNT Year ended 31 October 2005

	Note	2005 £	2004 £
TURNOVER	2	548,030	618,351
Cost of sales		(360,151)	(409,819)
		<u>187,879</u>	<u>208,532</u>
Administrative expenses		(156,680)	(155,562)
Interest receivable		<u>40,345</u>	<u>32,921</u>
SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION	3	71,544	85,891
Tax on surplus on ordinary activities	4	(7,207)	(5,444)
		<u>64,337</u>	<u>80,447</u>
SURPLUS ON ORDINARY ACTIVITIES AFTER TAXATION		64,337	80,447
Retained surplus brought forward		<u>888,532</u>	<u>808,085</u>
Retained surplus carried forward		<u>952,869</u>	<u>888,532</u>

There are no recognised gains or losses for the current and prior years other than as stated above.

FERRARI OWNERS' CLUB LIMITED

BALANCE SHEET 31 October 2005

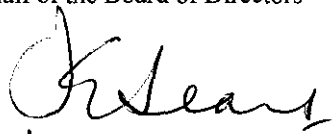
	Note	£	2005 £	£	2004 £
FIXED ASSETS					
Investments	5		22,541		20,485
Tangible assets	6		37,677		9,044
			<u>60,218</u>		<u>29,529</u>
CURRENT ASSETS					
Stocks	7	2,391		1,172	
Debtors	8	38,558		40,006	
Cash at bank and in hand		899,730		853,467	
		<u>940,679</u>		<u>894,645</u>	
CREDITORS: amounts falling due within one year	9	(47,928)		(35,542)	
NET CURRENT ASSETS			<u>892,751</u>		<u>859,103</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>952,969</u>		<u>888,632</u>
CAPITAL AND RESERVES					
Called up share capital	10		100		100
Income and expenditure account			952,869		888,532
TOTAL EQUITY SHAREHOLDERS' FUNDS			<u>952,969</u>		<u>888,632</u>

The financial statements have been prepared in accordance with the special provisions relating to small companies under section 246 of the Companies Act 1985 and the Financial Reporting Standard for Smaller Entities (effective June 2002).

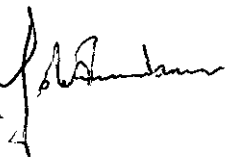
These financial statements were approved by the Board of Directors on 16th January 2006

Signed on behalf of the Board of Directors

J G S SEARS



J F WARNER



Directors

FERRARI OWNERS' CLUB LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 October 2005

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Accounting convention

The financial statements are prepared under the historical cost convention.

Income and expenditure

The Income and Expenditure account in the financial statements is prepared in accordance with section 262(2) Companies Act 1985.

Depreciation

Depreciation is provided to write off cost less residual value over the estimated useful lives of the assets. The rate of depreciation is as follows:

Office and event equipment 30% reducing balance basis

Motor Vehicles 20% reducing balance basis

During 2005 the directors changed the accounting policy for motor vehicle from 25% reducing balance to 20%. The directors feel that the new policy more accurately reflects the economic life of the category of assets.

Investments

Investments are stated at cost less impairment in value.

Stocks

Stocks, which exclude perpetual trophies, are valued at the lower of cost or net realisable value.

Deferred taxation

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

2. TURNOVER

Turnover represents the invoiced value of sales, subscriptions and donations net of value added tax.

The turnover is attributable to the company's principal activity.

Geographical analysis of turnover

	2005 £	2004 £
UK	541,326	612,845
Rest of World	6,704	5,506
	<u>548,030</u>	<u>618,351</u>

FERRARI OWNERS' CLUB LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 October 2005

3. SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION

	2005 £	2004 £
Surplus on ordinary activities before taxation is		
after charging/(crediting)		
Depreciation of tangible fixed assets	4,286	3,789
Auditors' remuneration	4,495	4,180
Profit on sale of fixed asset	(3,249)	-

The directors received no remuneration for their services. The company has had no other employees during the year (2004: £Nil).

The financial director received an honorarium of £2,000 (2004 - £2,000) in his capacity as Club Treasurer.

4. CORPORATION TAX

Provision for corporation tax has been made in these financial statements as follows.

	2005 £	2004 £
Corporation tax at 19% (2004 - 19%)	7,207	5,444

5. INVESTMENTS

	2005 £	2004 £
Library at cost	22,541	20,485

During the year, the company acquired further publications at a cost of £2,056.

6. TANGIBLE FIXED ASSETS

	Motor Vehicles £	Office equipment £	Event equipment £	Total £
Cost				
At 1 November 2004	12,300	15,392	4,545	32,237
Additions	32,000	862	808	33,670
Disposals	(12,300)	-	-	(12,300)
At 31 October 2005	32,000	16,254	5,353	53,607
Accumulated depreciation				
At 1 November 2004	11,376	9,145	2,672	23,193
Charge for the year	1,349	2,133	804	4,286
Disposals	(11,549)	-	-	(11,549)
At 31 October 2005	1,176	11,278	3,476	15,930
Net book value				
At 31 October 2005	30,824	4,976	1,877	37,677
At 31 October 2004	924	6,247	1,873	9,044

FERRARI OWNERS' CLUB LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 October 2005

7. STOCKS

	2005 £	2004 £
Stationery and awards	2,391	1,172

8. DEBTORS

	2005 £	2004 £
Trade debtors	20,614	24,094
Prepayments and accrued income	17,944	15,912
	38,558	40,006

All debtors are due within one year.

9. CREDITORS: Amounts falling due within one year

	2005 £	2004 £
Trade creditors	5,496	3,598
Other tax and Social Security	8,137	4,791
Corporation tax	7,207	5,444
Accruals and deferred income	27,088	21,709
	47,928	35,542

10. CALLED UP SHARE CAPITAL

The authorised share capital of the company is £100, divided into 100 ordinary shares of £1 each, all of which are allotted, issued and fully paid. The shares are held by nominees in trust for, and at the disposal of, the members of the Club.

11. RELATED PARTY TRANSACTIONS

Each of the four directors other than the Chairman, who is a Life Member, paid their annual subscription fee to the Club of £75 each (2004 - £70).

The Company Secretary, P J Everingham, is a partner of Evviva Management Services, which received £45,440 (2004 - £48,925) for Secretariat fees, office and travel expenses and £5,743 (2004 - £6,148) for copying and printing costs.

The finance director, J F Warner, is a director of Colworth Management Limited, which received £24,169 (2004 - £20,810) in respect of employment costs of the membership secretary and website assistant, VAT accountancy fees of £860 (2004 - £820) and treasurer's honorarium of £2,000 (2004 - £2,000).

P J Everingham and his wife also received £4,685 (2004 - £4,450) for rental of storage space.

All of the above transactions were conducted on or below normal commercial terms.