

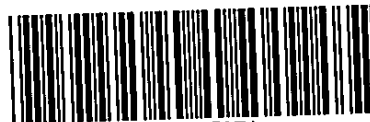
# Ferrari Owners' Club Limited

## FINANCIAL STATEMENTS

for the year ended

31 October 2010

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COMPANIES HOUSE

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# Ferrari Owners' Club Limited

## OFFICERS AND PROFESSIONAL ADVISERS

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### DIRECTORS

Mr R N Allen  
Mr G D Culver  
Mr C A A Mineeff  
Mr R Preece  
Mr J M Swift

### SECRETARY

Peter John Everingham

### REGISTERED OFFICE

7 Newgate  
Barnard Castle  
County Durham  
United Kingdom  
DL12 8NQ

### AUDITOR

Baker Tilly UK Audit LLP  
Chartered Accountants  
1 St James' Gate  
Newcastle upon Tyne  
NE1 4AD

# Ferrari Owners' Club Limited

## DIRECTORS' REPORT

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The directors submit their report and financial statements of Ferrari Owners' Club Limited for the year ended 31 October 2010

### PRINCIPAL ACTIVITIES

The principal activity of the company during the year was to promote the sport and pastime of motoring as it applies to owners of Ferrari cars

### REVIEW OF THE BUSINESS

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.

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 DEVELOPMENTS

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

### DIRECTORS

The directors who served the company during the year were as follows:

Mr R N Allen  
Mr G D Culver  
Mr C A A Mineeff  
Mr R Preece  
Mr J M Swift  
Mr J F Warner (Resigned 18 April 2010)

The shareholding is held by nominees in trust for, and at the disposal of, the members of the Club.

### GOING CONCERN

The directors believe that the company will continue with its current business. The directors have considered their level of resources, their expected outflows and economic uncertainty for the next 12 months from signing the financial statements. As a result of the above analysis and given the level of cash, the directors have a reasonable expectation that the entity will continue to be a going concern into the foreseeable future and have adopted the going concern accounting convention.

### STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the directors has confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

### AUDITOR

The Directors resolved that Baker Tilly UK Audit LLP be appointed as successor auditors to Deloitte LLP with effect from 30 November 2010. Baker Tilly UK Audit LLP has indicated its willingness to continue in office.

# Ferrari Owners' Club Limited

## DIRECTORS' REPORT

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### SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption

On behalf of the board



R N Allen  
Director

20/02/11

# Ferrari Owners' Club Limited

## DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period.

In preparing those financial statements, the directors are required to

- a select suitable accounting policies and then apply them consistently,
- b make judgements and accounting estimates that are reasonable and prudent,
- c 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FERRARI OWNERS' CLUB LIMITED

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We have audited the financial statements on pages 6 to 12. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's 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 auditor**

As more fully explained in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit**

A description of the scope of an audit of financial statements is provided on the ASB's website at [www.frc.org.uk/apb/scope/UKNP](http://www.frc.org.uk/apb/scope/UKNP).

### **Opinion on the financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 October 2010 and its surplus for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

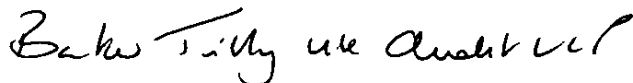
### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report.



Claire Leece (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

Chartered Accountants

1 St James Gate

Newcastle upon Tyne

NE1 4AD

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**Ferrari Owners' Club Limited**  
**INCOME AND EXPENDITURE ACCOUNT**  
for the year ended 31 October 2010

		2010	2009
	<i>Notes</i>	£	£
TURNOVER	1	607,414	536,354
Cost of sales		424,648	377,842
Gross profit		182,766	158,512
Administrative expenses		189,880	198,221
OPERATING DEFICIT	2	(7,114)	(39,709)
Interest receivable		20,819	14,381
SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES BEFORE TAXATION		13,705	(25,328)
Taxation	4	4,372	3,020
SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR	12	9,333	(28,348)
Retained surplus brought forward		1,087,552	1,115,900
Retained surplus carried forward		1,096,885	1,087,552

The surplus/(deficit) for the year arises from the company's continuing operations

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Income and Expenditure Account

## Ferrari Owners' Club Limited

## BALANCE SHEET

31 October 2010

	Notes	2010 £	2009 £
<b>FIXED ASSETS</b>			
Tangible assets	5	14,433	17,616
Investments	6	23,060	23,060
		<u>37,493</u>	<u>40,676</u>
<b>CURRENT ASSETS</b>			
Stocks	7	5,540	5,807
Debtors	8	39,612	42,518
Cash at bank and in hand		1,065,077	1,033,709
		<u>1,110,229</u>	<u>1,082,034</u>
<b>CREDITORS</b>			
Amounts falling due within one year	9	50,737	35,058
<b>NET CURRENT ASSETS</b>		<u>1,059,492</u>	<u>1,046,976</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,096,985</u>	<u>1,087,652</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	100	100
Income and expenditure account	12	1,096,885	1,087,552
<b>SHAREHOLDERS' FUNDS</b>		<u>1,096,985</u>	<u>1,087,652</u>

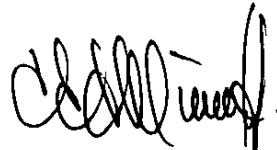
These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements on pages 6 to 12 were approved by the board of directors and authorised for issue on ~~15/07/11~~ and are signed on their behalf by

R N Allen  
Director



C A A Mineeff  
Director





# Ferrari Owners' Club Limited

## ACCOUNTING POLICIES

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### BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

### GOING CONCERN

The directors have prepared the financial statements on a going concern assumption for the reasons set out in the Going Concern section of the Directors' Report

### TURNOVER

Turnover represents the invoiced value of sales, subscriptions and commissions net of value added tax. Revenue is recognised by reference to the stage of completion of the service at the end of the reporting period.

### INVESTMENTS

Investments are stated at cost less impairment in value.

### FIXED ASSETS

All fixed assets are initially recorded at cost.

### DEPRECIATION

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Motor Vehicles	- 20% reducing balance
Office Equipment	- 30% reducing balance
Event Equipment	- 30% reducing balance

### STOCKS

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

### DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable surpluses and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

# Ferrari Owners' Club Limited

## ACCOUNTING POLICIES

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### FINANCIAL INSTRUMENTS

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the income and expenditure account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

# Ferrari Owners' Club Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 October 2010

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### 1 TURNOVER

The turnover and surplus before tax are attributable to the one principal activity of the company

An analysis of turnover is given below

	2010	2009
	£	£
United Kingdom	598,078	527,840
Overseas sales	9,336	8,514
	<u>607,414</u>	<u>536,354</u>

### 2 OPERATING DEFICIT

Operating deficit is stated after charging

	2010	2009
	£	£
Depreciation of owned fixed assets	3,787	5,246
Auditor's fees	<u>4,000</u>	<u>6,700</u>

### 3 DIRECTORS AND EMPLOYEES

The directors received no remuneration for their services (2009 £nil) The company has four employees at 31 October 2010 (2009 nil)

The club treasurer received an honorarium of £2,000 (2009 £2,000) for his services in the role

### 4 TAXATION ON ORDINARY ACTIVITIES

Analysis of charge in the year

	2010	2009
	£	£
Current tax		
UK Corporation tax based on the results for the year at 21% (2009 - 21%)	4,372	3,020
Total current tax	<u>4,372</u>	<u>3,020</u>

**Ferrari Owners' Club Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 October 2010

**5 TANGIBLE FIXED ASSETS**

	Motor Vehicles £	Office Equipment £	Event Equipment £	Total £
Cost				
At 1 November 2009	32,528	10,957	5,316	48,801
Additions	—	604	—	604
At 31 October 2010	<u>32,528</u>	<u>11,561</u>	<u>5,316</u>	<u>49,405</u>
Depreciation				
At 1 November 2009	19,632	7,724	3,829	31,185
Charge for the year	2,392	997	398	3,787
At 31 October 2010	<u>22,024</u>	<u>8,721</u>	<u>4,227</u>	<u>34,972</u>
Net book value				
At 31 October 2010	<u>10,504</u>	<u>2,840</u>	<u>1,089</u>	<u>14,433</u>
At 31 October 2009	<u>12,896</u>	<u>3,233</u>	<u>1,487</u>	<u>17,616</u>

**6 INVESTMENTS**

Library - collectible books and photographs

	£
Cost	
At 1 November 2009 and 31 October 2010	<u>23,060</u>
Net book value	
At 31 October 2010 and 31 October 2009	<u>23,060</u>

**7 STOCKS**

	2010 £	2009 £
Stock	<u>5,540</u>	<u>5,807</u>

**8 DEBTORS**

	2010 £	2009 £
Trade debtors	24,571	29,768
Other debtors	15,041	12,750
	<u>39,612</u>	<u>42,518</u>

All debtors are due within one year

# Ferrari Owners' Club Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 October 2010

#### 9 CREDITORS Amounts falling due within one year

	2010	2009
	£	£
Trade creditors	9,458	764
Corporation tax	4,372	3,020
Other taxation and social security costs	3,838	—
Other creditors	33,069	31,274
	<u>50,737</u>	<u>35,058</u>

#### 10 RELATED PARTY TRANSACTIONS

Each of the six directors paid their annual subscription fee to the Club of £80 each (2009 £80)

The Company Secretary, P J Everingham, is a partner of Evviva Management Services, which received £53,225 (2009 £53,890) for Secretariat fees, office and travel expenses and £4,711 (2009 £4,542) for copying and printing costs

C A A Mineeff is a director of Black Orange Limited which developed the club's website in exchange for advertisements in the 'Ferrari' magazine

The retiring finance director, J F Warner, is a director of Colworth Management Limited, which received £25,689 (2009 £38,777) in respect of employment costs of the membership secretary, website and archive assistants, and accountancy and VAT services of £393 (2009 £590)

#### 11 SHARE CAPITAL

	2010	2009
	£	£
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

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. The trustees are all directors of the Club.

#### 12 INCOME AND EXPENDITURE ACCOUNT

	2010	2009
	£	£
At 1 November 2009	1,087,552	1,115,900
Surplus/(deficit) for the financial year	<u>9,333</u>	<u>(28,348)</u>
At 31 October 2010	<u>1,096,885</u>	<u>1,087,552</u>