

REGISTERED NUMBER: 01457518 (England and Wales)

PEGASUS HORSESHOES LIMITED
ABBREVIATED FINANCIAL STATEMENTS
FOR THE PERIOD
1 NOVEMBER 1999 TO 31 DECEMBER 2000



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FOR THE PERIOD 1 NOVEMBER 1999 TO 31 DECEMBER 2000**

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PEGASUS HORSESHOES LIMITED

**COMPANY INFORMATION
FOR THE PERIOD 1 NOVEMBER 1999 TO 31 DECEMBER 2000**

DIRECTORS: S E Dale
Mrs M J Dale

SECRETARY: Mrs M J Dale

REGISTERED OFFICE: West Street
Stamford
Lincolnshire
PE9 2JD

REGISTERED NUMBER: 01457518 (England and Wales)

AUDITORS: Duncan & Toplis
Chartered Accountants
& Registered Auditors
14 All Saints Street
Stamford
Lincolnshire
PE9 2PA

BANKERS: HSBC Bank Plc
1 High Street
Stamford
Lincolnshire
PE9 2AL

PEGASUS HORSESHOES LIMITED

**REPORT OF THE INDEPENDENT AUDITORS TO
PEGASUS HORSESHOES LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated financial statements on pages three to seven, together with the full financial statements of the company for the period ended 31 December 2000 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

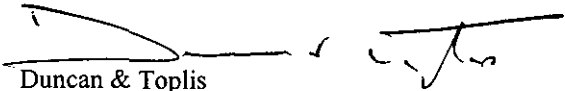
The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of audit opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages three to seven are properly prepared in accordance with those provisions.



Duncan & Toplis
Chartered Accountants
& Registered Auditors
14 All Saints Street
Stamford
Lincolnshire
PE9 2PA

Dated: 26 April 2002

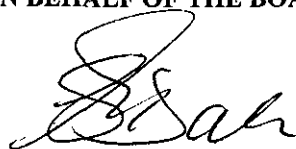
PEGASUS HORSESHOES LIMITED

**ABBREVIATED BALANCE SHEET
31 DECEMBER 2000**

		2000		1999	
	Notes	£	£	£	£
FIXED ASSETS:					
Intangible assets	2		47,332		53,539
Tangible assets	3		54,929		58,014
Investments	4		542,106		542,106
			<u>644,367</u>		<u>653,659</u>
CURRENT ASSETS:					
Debtors		197,222		217,643	
Cash at bank		<u>80,452</u>		<u>129,490</u>	
		277,674		347,133	
CREDITORS: Amounts falling due within one year		<u>421,803</u>		<u>398,225</u>	
NET CURRENT LIABILITIES:			<u>(144,129)</u>		<u>(51,092)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			<u>£500,238</u>		<u>£602,567</u>
CAPITAL AND RESERVES:					
Called up share capital	5		9,000		9,000
Capital redemption reserve			1,000		1,000
Profit and loss account			<u>490,238</u>		<u>592,567</u>
SHAREHOLDERS' FUNDS:			<u>£500,238</u>		<u>£602,567</u>

These abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:



S E Dale - DIRECTOR

Approved by the Board on 25 April 2002

PEGASUS HORSESHOES LIMITED

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE PERIOD 1 NOVEMBER 1999 TO 31 DECEMBER 2000**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Intangible fixed assets

Patents: The cost of patents is written off over their expected useful lives.

Development costs: Expenditure is written off in the year in which it is incurred.

In prior years development costs have been capitalised provided that the directors were satisfied as to the financial viability of the individual products. No depreciation was provided until such time as these products were in commercial production. The development costs were then depreciated at a rate based on the anticipated life of each new product.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land and buildings	- Straight line over period of lease
Plant and machinery etc	- 25% on reducing balance, 15% on reducing balance and not provided

The horses are not depreciated as in the opinion of the directors they are of an age where their value does not significantly decline from year to year.

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the period are charged in the profit and loss account.

Basis of consolidation

The company has not prepared group accounts as it qualifies as a small group and as such has taken advantage of exemption from preparing group accounts under section 248 Companies Act 1985.

Investments in subsidiaries

Investments in subsidiaries are stated at the lower of cost and the company's share of net assets.

***PEGASUS HORSESHOES LIMITED**

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE PERIOD 1 NOVEMBER 1999 TO 31 DECEMBER 2000**

2. INTANGIBLE FIXED ASSETS

	Total
	£
COST:	
At 1 November 1999	
and 31 December 2000	77,661
AMORTISATION:	
At 1 November 1999	24,123
Charge for period	6,206
At 31 December 2000	30,329
NET BOOK VALUE:	
At 31 December 2000	47,332
At 31 October 1999	53,539

3. TANGIBLE FIXED ASSETS

	Total
	£
COST:	
At 1 November 1999	217,433
Additions	5,094
Disposals	(76)
At 31 December 2000	222,451
DEPRECIATION:	
At 1 November 1999	159,418
Charge for period	8,147
Eliminated on disposals	(43)
At 31 December 2000	167,522
NET BOOK VALUE:	
At 31 December 2000	54,929
At 31 October 1999	58,014

4. FIXED ASSET INVESTMENTS

	£
COST:	
At 1 November 1999	
and 31 December 2000	542,106
NET BOOK VALUE:	
At 31 December 2000	542,106
At 31 October 1999	542,106

PEGASUS HORSESHOES LIMITED

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE PERIOD 1 NOVEMBER 1999 TO 31 DECEMBER 2000**

4. FIXED ASSET INVESTMENTS - continued

The company's investments at the balance sheet date in the share capital of unlisted companies include the following:

A J Pledger & Co (Metals) Limited

Nature of business: Horseshoe manufacturing

Class of shares:	% holding
Ordinary £1	100.00

	2000	31.12.99
	£	£
Aggregate capital and reserves	1,362,213	1,464,673
Loss for the year	(102,460)	(74,152)

West Side Health & Fitness Club Limited

Nature of business: Health & fitness club

Class of shares:	% holding
Ordinary £1	100.00

	31.12.00	31.10.99
	£	£
Aggregate capital and reserves	155,885	90,076
Profit for the period/year	65,809	46,266

The directors have brought the parent company and its two wholly owned subsidiaries year ends into line. Pegasus Horseshoes Limited and Westside Health & Fitness Club Limited adopted 31 December year ends from 31 December 2000, the period of account to 31 December 2000 being fourteen months in each case.

5. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	2000	1999
		£1	£	£
10,000	Ordinary		10,000	10,000

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2000	1999
		£1	£	£
9,000	Ordinary		9,000	9,000

6. TRANSACTIONS WITH DIRECTORS

During the year the company had the following transactions with an unincorporated business, trading as Pegasus Horseshoes, of which Mr S E Dale was the sole proprietor:

The company made purchases amounting to £157,634 (1999: £187,527).

At the balance sheet date the company owed to Pegasus Horseshoes £34,228 made up of an interest free financing loan of £16,291 (1999: £1,882) and trade balances of £17,937 (1999: £22,799).

These balances are shown in creditors.

• PEGASUS HORSESHOES LIMITED

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE PERIOD 1 NOVEMBER 1999 TO 31 DECEMBER 2000**

7. RELATED PARTY DISCLOSURES

During the period the company had the following transactions with its two wholly owned subsidiary companies:

Pegasus Horseshoes Limited made sales of £322,104 (1999: £392,042) to A J Pledger & Co (Metals) Limited.

At the balance sheet date the company had the following balances with A J Pledger & Co (Metals) Limited:

Owed to Pegasus Horseshoes Limited £35,628 (1999: £54,173).

Owed by Pegasus Horseshoes Limited £370,037 (1999: £355,954).

These amounts are included within debtors and creditors respectively. The amount owed by Pegasus Horseshoes Limited represents a financing loan from A J Pledger & Co (Metals) Limited which is interest free and repayable on demand. A rates recharge from A J Pledger & Co (Metals) Limited in the sum of £4,600, rent recharges of £6,000 and an insurance recharge of £3,483 have been added to the loan outstanding during the period.

Pegasus Horseshoes Limited recharged Westside Health & Fitness Club Limited £276 for sundry goods and services provided.

At the balance sheet date the company had the following balance with Westside Health & Fitness Club Limited:

Owed to Pegasus Horseshoes Limited £156,237 (1999: £155,912).

The above amount includes a financing loan of £155,912 (1999: £155,912) to Westside Health & Fitness Club Limited and a trade debtor of £325. These amounts are included within debtors and the financing loan is interest free and repayable on demand.

The company has surrendered tax losses to Westside Health & Fitness Club Limited in the sum of £13,800 as group relief.