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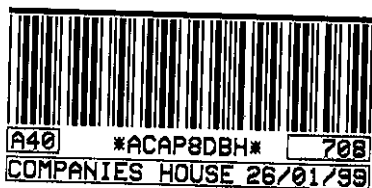
EXECUTIVE SPORTS LIMITED

ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 1998

TOGETHER WITH DIRECTORS' AND AUDITOR'S REPORT

RAMSDENS
Chartered Accountants
Birstall House
6 Bourbon Street
Aylesbury
Bucks



EXECUTIVE SPORTS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST MARCH 1998

The directors present the annual report of the company, together with the accounts and auditor's report for the year ended 31st March 1998.

PRINCIPAL ACTIVITY

The company's principal activity was the organisation of sporting events and promotions. The subsidiary provided golfing facilities for Cranbrook Golf Club.

BUSINESS REVIEW, RESULTS AND DIVIDENDS

The company and subsidiary had a very successful year, which is expected to be repeated. Investment in improved facilities at the Golf Club is continuing.

The results for the year for the group and the company are set out on pages 3 and 5 respectively.

The directors who served during the year were:-

	<u>Ordinary Shares</u>	
	<u>1998</u>	<u>1997</u>
P G Fox	5,000	5,000
G L C Fox	-	-
P Wilcock	5,000	5,000

No dividend is proposed for the year.

AUDITORS

The directors will place a resolution before the Annual General Meeting to re-appoint Ramsdens as auditors for the ensuing year.

By Order of the Board


Secretary

AUDITOR'S REPORT TO THE SHAREHOLDERS

OF

EXECUTIVE SPORTS LIMITED

We have audited the financial statements on pages 3 and 12 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities under the historical cost convention and the accounting policies set out on page 5.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

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 profit or loss of the company for that year. 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, state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and 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.

It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with 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 31st March 1998 and of its profit for the year ended and have been properly prepared in accordance with the Companies Act 1985.

Birstall House
6 Bourbon Street
Aylesbury
Bucks

20 January 1999

Ramsdens

RAMSDENS
Chartered Accountants
and Registered Auditors

EXECUTIVE SPORTS LIMITED
GROUP PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 1998

	<u>Notes</u>	<u>1998</u>	<u>1997</u>
TURNOVER		1,380,859	1,251,974
Less: Cost of Sales		612,453	533,742
		<hr/> 768,406	<hr/> 718,232
Net Operating Expenses		600,911	574,416
		<hr/> 167,495	<hr/> 143,816
OPERATING PROFIT			
Dividends Received		168	151
Profit on Sale of Investments		840	-
Interest Payable	3	(16,215)	(18,146)
PROFIT ON ORDINARY		<hr/> 152,288	<hr/> 125,821
ACTIVITIES BEFORE TAXATION	2		
Tax Charge on Profit on Ordinary Activities	5	31,031	34,232
		<hr/> 121,257	<hr/> 91,589
PROFIT FOR THE FINANCIAL YEAR			
MINORITY INTEREST		157	86
		<hr/> 121,100	<hr/> 91,503
RETAINED PROFIT FOR THE YEAR			
RETAINED PROFIT, BEGINNING OF YEAR		1,331,893	1,240,390
RETAINED PROFIT, END OF YEAR		<hr/> <hr/> £1,452,993	<hr/> <hr/> £1,331,893

The accompanying notes form an integral part of this Profit and Loss Account.

EXECUTIVE SPORTS LIMITED

GROUP BALANCE SHEET AS 31ST MARCH 1998

	<u>Notes</u>	<u>1998</u>	<u>1997</u>
<u>FIXED ASSETS</u>			
Tangible Assets	6	2,191,535	2,072,671
<u>CURRENT ASSETS</u>			
Debtors			
- Falling due within one year	7	309,605	284,556
- Falling due after one year	8	271,087	315,923
Investments	9	10	3,897
		580,702	604,376
<u>CREDITORS</u>			
- Amounts falling due within one year	10	759,615	775,265
<u>NET CURRENT LIABILITIES</u>		(178,913)	(170,889)
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		2,012,622	1,901,782
<u>CREDITORS</u>			
Amounts falling due after more than one year	11	24,523	34,940
<u>NET ASSETS</u>		£1,988,099	£1,866,842
<u>SHAREHOLDERS FUNDS</u>			
Called Up Share Capital	12	10,000	10,000
Capital Reserve		127,269	127,269
Profit and Loss Account		1,452,993	1,331,893
Revaluation Reserve		395,655	395,655
		1,985,917	1,864,817
<u>MINORITY INTEREST</u>		2,182	2,025
		£1,988,099	£1,866,842

The accounts were approved by the Board of Directors on 20 January 1999.

The annexed notes form part of these accounts.

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) Directors
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EXECUTIVE SPORTS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MARCH 1998

	<u>Notes</u>	<u>1998</u>	<u>1997</u>
TURNOVER		931,070	848,646
Less: Cost of Sales		607,502	526,195
		323,568	322,451
Net Operating Expenses		342,582	289,973
OPERATING PROFIT/(LOSS)		(19,014)	32,478
Dividends Received		168	151
Profit on Sale of Investment		840	-
Interest Payable	3	(15,362)	(16,859)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	2	(33,368)	15,770
Tax Charge on Profit on Ordinary Activities	5	-	8,436
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		(33,368)	7,334
DIVIDENDS		-	-
RETAINED PROFIT/(LOSS) FOR THE YEAR		(33,368)	7,334
RETAINED PROFIT, BEGINNING OF YEAR		659,180	651,846
RETAINED PROFIT, END OF YEAR		£ 625,812	£ 659,180

The accompanying notes form an integral part of this Profit and Loss Account.

EXECUTIVE SPORTS LIMITED

BALANCE SHEET AS 31ST MARCH 1998

	<u>Notes</u>	<u>1998</u>	<u>1997</u>
<u>FIXED ASSETS</u>			
Tangible Assets	6	166,745	64,886
Investment in Subsidiary	13	791,340	791,340
		<u>958,085</u>	<u>856,226</u>
<u>CURRENT ASSETS</u>			
Debtors			
- Falling due within one year	7	269,865	272,741
- Falling due after one year	8	271,087	315,923
Investments	9	10	3,897
		<u>540,962</u>	<u>592,561</u>
<u>CREDITORS</u>			
Amounts falling due within one year	10	863,235	779,607
<u>NET CURRENT LIABILITIES</u>		<u>(322,273)</u>	<u>(187,046)</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		<u>£635,812</u>	<u>£669,180</u>
<u>SHAREHOLDERS' FUNDS</u>			
Called Up Share Capital	12	10,000	10,000
Reserves		625,812	659,180
		<u>£635,812</u>	<u>£669,180</u>

The accounts were approved by the Board of Directors on 20 January 1999.

The annexed notes form part of these accounts.

.....))
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EXECUTIVE SPORTS LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 1998

1. ACCOUNTING POLICIES

The principal accounting policies are:-

a) Basis of Accounting

These accounts have been prepared under the historical cost convention, (except for the revaluation of freehold property) and in accordance with the Financial Reporting Standard for Smaller Entities.

b) Tangible Fixed Assets

Tangible fixed assets are shown at cost less accumulated depreciation.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset on a straight line basis over its estimated useful life as follows:-

Freehold Property	Not depreciated, as in the opinion of the directors the residual value will always be greater than the book value due to the company's policy of keeping the buildings in good repair.
Irrigation & Drainage Scheme	10%
Motor Vehicles	25%
Plant and Machinery	12.5% or 25%
Fixtures and Fittings	10%

c) Debtors

Debtors are stated net of any provision for bad and doubtful debts.

d) Taxation

Corporation tax is provided on taxable profits at the current rate. Deferred taxation on the revaluation of freehold property has not been provided for because it is not the intention of the directors to dispose of it in the foreseeable future.

e) Turnover

Turnover comprises the VAT exclusive invoiced amount in respect of sporting functions and promotions carried out during the year, and subscriptions, green fees, sales and services.

f) Stock

Stock is valued at the lower of cost and net realisable value.

g) Cash Flow Statement

Exemption under FRS1 applies on the grounds that the company qualifies as a small company.

h) Pension Scheme

The company operates a defined contribution scheme. Payments are charged to the Profit and Loss Account as they are incurred.

EXECUTIVE SPORTS LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 1998

Continued

2. OPERATING PROFIT

This is stated after charging:-

	<u>Group</u>		<u>Company</u>	
	<u>1998</u>	<u>1997</u>	<u>1998</u>	<u>1997</u>
	£	£	£	£
Directors' Salaries	131,774	116,130	131,774	116,130
Director's Pension Contributions (one director)	10,294	-	10,294	-
Auditor's Remuneration and Expenses	4,900	5,400	2,400	2,400
Depreciation of Assets	62,715	79,964	23,213	32,887
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

and after crediting:-

Profit on Sale of Investments	840	-	840	-
Profit on Sale of Fixed Assets	17,778	11,761	9,278	-
Income from Listed Investments	168	151	168	151
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

3. INTEREST PAYABLE AND SIMILAR CHARGES

	<u>Group</u>		<u>Company</u>	
	<u>1998</u>	<u>1997</u>	<u>1998</u>	<u>1997</u>
Interest Payable -				
Bank Loans and Overdrafts	16,215	18,146	15,362	16,859
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	£ 16,215	£ 18,146	£ 15,362	£ 16,859
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

4. STAFF COSTS

The average number of persons employed by the company, including directors, during the year was as follows:-

	<u>Group</u>		<u>Company</u>	
	<u>1998</u>	<u>1997</u>	<u>1998</u>	<u>1997</u>
Management	4	3	3	2
Administration	8	8	3	3
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	12	11	6	5
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The aggregate payroll costs of these persons were as follows:-

	<u>Group</u>		<u>Company</u>	
	<u>1998</u>	<u>1997</u>	<u>1998</u>	<u>1997</u>
Wages and Salaries	259,440	247,459	201,494	170,128
Social Security	25,453	25,135	20,602	18,469
Other Pension Costs	10,294	-	10,294	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	£295,187	£272,594	£232,390	£188,597
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

EXECUTIVE SPORTS LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 1998

Continued

5. TAXATION ON PROFIT ON ORDINARY ACTIVITIES

	<u>Group</u>		<u>Company</u>	
	<u>1998</u>	<u>1997</u>	<u>1998</u>	<u>1997</u>
Corporation Tax Provision based on Profits for the year	31,031	34,232	-	8,436
	<u>£ 31,031</u>	<u>£ 34,232</u>	<u>£ -</u>	<u>£ 8,436</u>

6. TANGIBLE FIXED ASSETS

The following are included in the net book value of tangible fixed assets:-

a) <u>GROUP</u>	<u>COST OR REVALUATION</u>	<u>TOTAL</u>	<u>Freehold</u>		<u>Irrigation</u>		<u>Motor</u>		<u>Plant & Fixtures &</u>	
			<u>Land &</u>	<u>Buildings</u>	<u>& Drainage</u>	<u>Scheme</u>	<u>Vehicles</u>	<u>Machinery</u>	<u>Fittings</u>	<u></u>
Balance B/Fd	2,615,830	1,897,181	37,889	112,573	376,489	191,698				
Additions	192,001	159,650	-	21,080	8,525	2,746				
Disposals	(48,682)	-	-	(35,732)	(12,950)	-				
Balance C/Fd	<u>£2,759,149</u>	<u>2,056,831</u>	<u>37,889</u>	<u>97,921</u>	<u>372,064</u>	<u>194,444</u>				
<u>Depreciation</u>										
Balance B/Fd	543,159	-	27,822	74,670	305,736	134,931				
Charge for the Year	62,715	-	3,789	18,434	24,009	16,483				
Charged on Disposals	(38,260)	-	-	(25,310)	(12,950)	-				
Balance C/Fd	<u>£ 567,614</u>	<u>-</u>	<u>31,611</u>	<u>67,794</u>	<u>316,795</u>	<u>151,414</u>				
<u>Net Book Value</u>										
1998	<u>£2,191,535</u>	<u>2,056,831</u>	<u>6,278</u>	<u>30,127</u>	<u>55,269</u>	<u>43,030</u>				
1997	<u>£2,072,671</u>	<u>1,897,181</u>	<u>10,067</u>	<u>37,903</u>	<u>70,753</u>	<u>56,767</u>				

The freehold land and buildings were valued at open market value as at 16th December 1992 at a figure of £1,750,000.

EXECUTIVE SPORTS LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 1998

Continued

6. **TANGIBLE FIXED ASSETS** Continued

<u>TANGIBLE FIXED ASSETS</u> Continued					
b) <u>Company</u>	<u>TOTAL</u>	<u>Motor Vehicles</u>	<u>Plant and Machinery</u>	<u>Freehold Land and Buildings</u>	
<u>COST</u>					
Balance B/Fd	181,187	112,573	68,614	-	
Additions	135,494	21,080	263	114,151	
Disposals	(35,732)	(35,732)	-	-	
Balance C/Fd	£280,949	97,921	68,877	114,151	
<u>DEPRECIATION</u>					
Balance B/Fd	116,301	74,670	41,631	-	
Charge for the Year	23,213	18,434	4,779	-	
Charged on Disposals	(25,310)	(25,310)	-	-	
Balance C/Fd	£114,204	67,794	46,410	-	
<u>NET BOOK VALUE</u>					
1998	£166,745	30,127	22,467	114,151	
1997	£ 64,886	37,903	26,983	-	

7. **DEBTORS** Amounts falling due within one year:-

	<u>Group</u>		<u>Company</u>	
	<u>1998</u>	<u>1997</u>	<u>1998</u>	<u>1997</u>
Trade Debtors	203,925	176,209	203,925	176,209
Other Debtors	30,035	3,611	21,253	-
Prepayments and Accrued Income	75,645	104,736	44,687	96,532
	£309,605	£284,556	£269,865	£272,741

8. **DEBTORS** Amounts falling due after one year:-

	<u>Group</u>		<u>Company</u>	
	<u>1998</u>	<u>1997</u>	<u>1998</u>	<u>1997</u>
Loan to Affiliated Company	271,087	303,423	271,087	303,423
Other Debtors	-	12,500	-	12,500
	£271,087	£315,923	£271,087	£315,923

9. **INVESTMENTS**

	<u>Company and Group</u>	
	<u>1998</u>	<u>1997</u>
Listed Investments at Cost	£ 10	£ 3,897

EXECUTIVE SPORTS LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 1998

Continued

10. CREDITORS - Amounts falling due within one year

	<u>Group</u>		<u>Company</u>	
	<u>1998</u>	<u>1997</u>	<u>1998</u>	<u>1997</u>
Trade Creditors	-	1,768	-	-
Social Security and Other Taxes	29,947	38,838	29,412	36,887
Other Creditors	25,156	11,924	20,880	6,459
Income in Advance	265,894	283,538	255,477	230,408
Bank Overdraft (Secured)	407,587	388,965	397,901	368,202
Current Taxation	31,031	34,232	-	8,436
Debentures	-	16,000	-	-
Loan from Subsidiary	-	-	159,565	129,215
	<u>£759,615</u>	<u>£775,265</u>	<u>£863,235</u>	<u>£779,607</u>

The bank overdraft is secured by a charge on the investment in Cranbrook Golf Club Limited.

11. CREDITORS Amounts falling due after more than one year

	<u>Group</u>	
	<u>1998</u>	<u>1997</u>
Subscriptions Paid in Advance		
- up to 5 years	8,333	18,750
Debentures	16,190	16,190
	<u>£24,523</u>	<u>£34,940</u>
Payable by instalments, some of which fall due for repayment after 5 years	-	-
Payable other than by instalments, after 5 years	16,190	16,190
	<u>£16,190</u>	<u>£16,190</u>

12. SHARE CAPITAL

The authorised, allotted and fully paid share capital of the company consisted of 10,000 shares of £1 each amounting to £10,000.

	<u>Authorised</u>	<u>Allotted, Called Up and Fully Paid</u>
Ordinary Shares of £1 each	<u>£ 10,000</u>	<u>£ 10,000</u>

EXECUTIVE SPORTS LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 1998

Continued

13. INVESTMENT IN SUBSIDIARY

The subsidiary, which is 99.9% owned, is Cranbrook Golf Club Limited, a company incorporated in England.

14. RELATED PARTY DISCLOSURES

The company is controlled by its directors.

Two directors, Mr P Fox and Mr P Wilcock, have each provided share capital of £5,000.