

**REGISTRAR'S COPY**

**COMPANY NUMBER:**

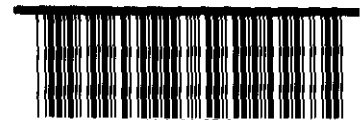
3382348

**Cotswold Outdoor Limited**

Financial Statements

17 Months Ended

27 February 2000



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18/05/01

**BDO**

**BDO Stoy Hayward**  
Chartered Accountants

# **COTSWOLD OUTDOOR LIMITED**

**Annual report and financial statements for the 17 months ended 27 February 2000**

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Directors

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## **Directors**

J L Falkenburg  
N Evans

## **Secretary and registered office**

J P Stansfield, Broadway Lane, South Cerney, Gloucestershire GL7 5UQ

## **Company number**

3382348

## **Solicitors**

Osborne Clarke, Apex Plaza, Forbury Road, Reading, Berkshire RG1 1AX

## **Auditors**

BDO Stoy Hayward, Bowman House, 2/10 Bridge Street, Reading, Berkshire RG1 2LU

## **Bankers**

Bank of Scotland, 124 Colmore Row, Birmingham B3 3AU


## COTSWOLD OUTDOOR LIMITED

### Chairman's statement for the 17 months ended 27 February 2000

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On 30 March 2000 the Board accepted an offer by A.S. Lathouwers NV (ASL) to acquire the total shareholding of the company. ASL is 50% owned by Mitiska NV, a company quoted on the Belgian stock market. ASL operates a chain of outdoor stores which has many lines and suppliers in common with Cotswold Outdoor Limited. The principal initial effect of the acquisition has been to strengthen the groups balance sheet through the removal of debt. The capital structure of the company is now subject to a re-organisation requiring permission from the court. This process is currently being undertaken.

The unaudited pro forma balance sheet of Cotswold Outdoor Limited on page 2 shows the effect on the group balance sheet at 27 February 2000 of the removal of debt and the capital reorganisation as if they had been completed at that date. On this pro forma basis the company would have had opening net assets of £3.8m on 28 February 2000.



**J L Falkenburg**  
Chairman

Date 30 June 2000

**COTSWOLD OUTDOOR LIMITED**

**Unaudited pro forma consolidated balance sheet at 27 February 2000**

	At 27 February 2000 £'000	Adjustments £'000	Pro forma Balance sheet at 27 February 2000 £'000
<b>Fixed assets</b>			
Intangible assets	2,000		2,000
Tangible assets	2,348		2,348
	<hr/>		<hr/>
	4,348		4,348
	<hr/>		<hr/>
<b>Current assets</b>			
Stock	2,633		2,633
Debtors	784		784
Cash at bank and in hand	8	588	596
	<hr/>		<hr/>
	3,425		4,013
<b>Creditors: amounts falling due within one year</b>	<hr/>		<hr/>
	7,376	2,867	4,509
	<hr/>		<hr/>
<b>Net current liabilities</b>	(3,951)		(496)
	<hr/>		<hr/>
<b>Total assets less current liabilities</b>	397	3,455	3,852
	<hr/>	<hr/>	<hr/>
<b>Creditors: amounts falling due after more than one year</b>			
Long term funding	6,920	(6,920)	-
Hire purchase	33	-	33
	<hr/>		<hr/>
<b>Provisions for liabilities and charges</b>	19		19
	<hr/>		<hr/>
	(6,972)		52
	<hr/>		<hr/>
<b>Capital and reserves</b>			
Called up share capital	28	3,772	3,800
Share premium	554	(554)	-
Profit and loss account	(7,157)	7,157	-
	<hr/>		<hr/>
<b>Equity shareholders' funds</b>	(6,575)		3,800
	<hr/>		<hr/>
	397	3,455	3,852
	<hr/>	<hr/>	<hr/>

## **COTSWOLD OUTDOOR LIMITED**

### **Report of the directors for the 17 months ended 27 February 2000**

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The directors present their report together with the audited statutory financial statements for the 17 months ended 27 February 2000.

#### **Results and dividends**

The consolidated profit and loss account is set out on page 7 and shows the result for the period.

The directors do not recommend the payment of a dividend.

#### **Principal activities, trading review and future developments**

The principal activities of the Group are retailing of outdoor pursuits clothing and equipment. During the seventeen months to 27 February 2000, three new stores were opened in Glasgow, Betws-y-Coed and Kingston-on-Thames. The operating loss of £4,805 was stated after charging £2,636 exceptional expenses for the amortisation of goodwill. The loss transferred to reserves for the period was £5997.

As explained in the Chairman's statement, the Board accepted an offer by A S Lathouwers NV to acquire the total shareholding of the company. ASL is 50% owned by Mitiska NV, a company quoted on the Belgian stock market. The pro forma balance sheet showing the revised position following the acquisition subject to the approval of the court for the capital re-organisation is shown on page 2.

#### **Market value of land and buildings**

The directors are of the opinion that there is no material difference between the market value of land and buildings and the amounts at which they are shown in the financial statements.

#### **Charitable and political donations**

The Group did not make any charitable or political donations during the period.

#### **Year 2000**

Following the exercise to achieve compliance with regard to potential Year 2000 issues, we can report that no adverse impact has resulted. Given the complexity of the problem, it is not possible for any organisation to guarantee that no Year 2000 problems remain, because at least some level of failure may still occur. However, the Board believes that there is an acceptable state of readiness and has also provided resources to deal promptly with significant subsequent failures or issues that might arise.

#### **Policy on the payment of creditors**

The majority of suppliers to the group and company are of a long standing nature and mutually acceptable payment terms which have been established over the relationship period, will continue during the next year. General payments will be made between 30 and 60 days from the end of the month of delivery. In certain circumstances payment terms will be agreed with suppliers as part of the overall terms of the transaction, and will be adhered to by the company and group.

In respect of the company and group, period end trade creditors represent 80 days average purchases.

## COTSWOLD OUTDOOR LIMITED

### Report of the directors for the 17 months ended 27 February 2000 (*Continued*)

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#### Directors

The directors of the company during the period and their beneficial interests at the beginning and end of the period in the ordinary shares of the company were as follows:

	Number of 'A' Ordinary Shares	Number of 'B' Ordinary Shares
J L Falkenburg	-	800,000
J A Lusher (resigned 30 March 2000)	66,666	66,667
M Martin (resigned 30 March 2000)	23,570	40,000
J P Stansfield (resigned 30 March 2000)	-	-
R J Steele (resigned 30 March 2000)	-	-

Subsequent to the year end N Evans was appointed as director on 30 March 2000.

#### Senior Management

J L Falkenburg is the Chief Executive. The other senior executives at the beginning and end of the year and their responsibilities were as follows:

Kate Franklin	-	Retail operations
Andrew Murray (resigned 31 May 2000)	-	Buying
Phil Stansfield	-	Finance

Each of the three executives above at the beginning and end of the period held options over 35,000 1p 'B' ordinary shares at an option price of 10p per share. No options were exercised, lapsed or granted during the period.

#### Directors' responsibilities

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 group and of the profit or loss of the group 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;
- state whether applicable accounting standards have been followed, subject to any material departure 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.

# COTSWOLD OUTDOOR LIMITED

## Report of the directors for the 17 months ended 27 February 2000 (*Continued*)

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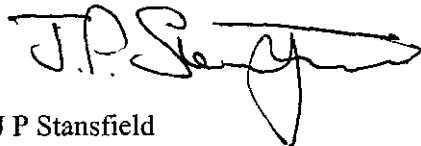
### Directors' responsibilities (*continued*)

The directors are responsible for keeping proper accounting records which 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 1985. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Auditors

BDO Stoy Hayward have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

### By order of the Board



J P Stansfield  
Secretary

Date: 30 June 2000

# COTSWOLD OUTDOOR LIMITED

## Report of the auditors

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### To the members of Cotswold Outdoor Limited

We have audited the financial statements on pages 7 to 25 which have been prepared under the accounting policies set out on pages 11 and 12.

#### *Respective responsibilities of directors and auditors*

As described on pages 4 and 5 the company's directors are responsible for the preparation of the financial statements. 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 group'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 affairs of the company and the group as at 27 February 2000 and of the loss of the group for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

**BDO STOY HAYWARD**

Chartered Accountants  
and Registered Auditors  
Reading

Date: 30 June 2000



**COTSWOLD OUTDOOR LIMITED****Consolidated profit and loss account for the 17 months ended 27 February 2000**

		<b>17 month period ended 27 February 2000</b>		<b>15 month period ended 30 September 1998</b>	
	<b>Note</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Turnover</b>	2		24,799		18,574
<b>Cost of sales</b>			17,001		11,950
			<hr/>		<hr/>
<b>Gross profit</b>			7,798		6,624
<b>Distribution costs</b>			4,829		3,837
<b>Administrative expenses:</b>					
Amortisation of goodwill		377		334	
Exceptional impairment of goodwill		2,636		-	
Other administrative expenses		4,761		2,606	
		<hr/>		<hr/>	
<b>Total administrative expenses</b>			7,774		2,940
			<hr/>		<hr/>
<b>Operating loss</b>	5		(4,805)		(153)
<b>Interest receivable</b>			13		22
<b>Interest payable</b>	6		1,205		989
			<hr/>		<hr/>
<b>Loss on ordinary activities before taxation</b>			(5,997)		(1,120)
<b>Taxation on loss from ordinary activities</b>	7		-		40
			<hr/>		<hr/>
<b>Accumulated loss for the period transferred to reserves</b>	18		(5,997)		(1,160)
			<hr/>		<hr/>

All amounts relate to continuing activities

There were no recognised gains or losses other than the loss for the period

The notes on pages 11 to 25 form part of these financial statements

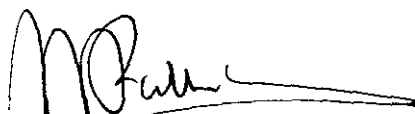
# COTSWOLD OUTDOOR LIMITED

## Consolidated balance sheet at 27 February 2000

	Note	As at 27 February 2000		As at 30 September 1998	
		£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Intangible assets	9		2,000		5,013
Tangible assets	10		2,348		1,768
Investments	11		-		7
			<u>4,348</u>		<u>6,788</u>
<b>Current assets</b>					
Stock	12	2,633		2,685	
Debtors	13	784		590	
Cash at bank and in hand		8		-	
		<u>3,425</u>		<u>3,275</u>	
<b>Creditors: amounts falling due within one year</b>	14	7,376		5,150	
<b>Net current liabilities</b>			<u>(3,951)</u>		<u>(1,875)</u>
<b>Total assets less current liabilities</b>			<u>397</u>		<u>4,913</u>
<b>Creditors: amounts falling due after more than one year</b>					
Long term funding	15	6,920		5,420	
Hire purchase	15	33		52	
		<u>6,953</u>		<u>5,472</u>	
<b>Provisions for liabilities and charges</b>	16		19		19
<b>Capital and reserves</b>					
Called up share capital	17	28		28	
Share premium account	18	554		554	
Profit and loss account	18	(7,157)		(1,160)	
<b>Equity shareholders' funds</b>	19		<u>(6,575)</u>		<u>(578)</u>
			<u>397</u>		<u>4,913</u>

The financial statements were approved by the Board on 30.06.00

J L Falkenburg  
Director



The notes on pages 11 to 25 form part of these financial statements

# COTSWOLD OUTDOOR LIMITED

Company balance sheet as at 27 February 2000

	Note	As at 27 February 2000 £'000      £'000		As at 30 September 1998 £'000      £'000	
<b>Fixed assets</b>					
Intangible assets	9		2,000		5,013
Tangible assets	10		2,348		1,768
Investments	11		1,322		1,329
			<hr/>		<hr/>
			5,670		8,110
<b>Current assets</b>					
Stock	12	2,633		2,685	
Debtors	13	811		590	
Cash at bank and in hand		8		-	
		<hr/>		<hr/>	
			3,452		3,275
<b>Creditors: amounts falling due within one year</b>	14	8,725		6,472	
		<hr/>		<hr/>	
<b>Net current liabilities</b>			(5,273)		(3,197)
			<hr/>		<hr/>
<b>Total assets less current liabilities</b>			397		4,913
			<hr/>		<hr/>
<b>Creditors: amounts falling due after more than one year</b>					
Long term funding	15	6,920		5,420	
Hire purchase	15	33		52	
		<hr/>		<hr/>	
			6,953		5,472
<b>Provisions for liabilities and charges</b>	16		19		19
<b>Capital and reserves</b>					
Called up share capital	17	28		28	
Share premium account	18	554		554	
Profit and loss account	18	(7,157)		(1,160)	
		<hr/>		<hr/>	
<b>Equity shareholders' funds</b>			(6,575)		(578)
			<hr/>		<hr/>
	19		397		4,913
			<hr/>		<hr/>

The financial statements were approved by the Board on 30.06.00

J L Falkenburg  
Director



The notes on pages 11 to 25 form part of the financial statements

# COTSWOLD OUTDOOR LIMITED

## Consolidated cash flow statement for the 17 months ended 27 February 2000

	Note	17 month period ended 27 February 2000		15 month period ended 30 September 1998	
		£'000	£'000	£'000	£'000
<b>Net cash inflow from operating activities</b>	20		1,835		656
<b>Returns on investments and servicing of finance</b>					
Interest received		13		22	
Interest paid		(372)		(440)	
Interest element of hire purchase payments		(13)		(9)	
			(372)		(427)
<b>Taxation</b>					
UK corporation tax			-		(195)
<b>Capital expenditure and financial investment</b>					
Purchase of tangible fixed assets		(1,505)		(776)	
Sale of tangible fixed assets		31		20	
			(1,474)		(756)
<b>Acquisitions and disposals</b>					
Purchase of subsidiary		-		(7,535)	
Overdraft acquired with subsidiary		-		(463)	
			-		(7,998)
<b>Net cash outflow before financing</b>			(11)		(8,720)
<b>Financing</b>					
Issue of shares		-		582	
Debt due within one year:					
Term loan		-		560	
Repayment of term loan		(460)		(240)	
Debt due in more than one year:					
Term loan		-		2,740	
New unsecured loan stock repayable 2002/05		-		3,933	
New unsecured loan stock repayable 2006/07		650		600	
New unsecured loan stock		-		460	
Capital element of hire purchase contracts		(84)		(76)	
Issue costs of financing		-		(185)	
<b>Net cash inflow from financing</b>			106		8,374
<b>Increase/(decrease) in cash</b>	21		95		(346)

The notes on pages 11 to 25 form part of these financial statements

# COTSWOLD OUTDOOR LIMITED

Notes forming part of the financial statements for the 17 months ended 27 February 2000

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## 1 Accounting policies

### *Basis of preparation*

The financial statements have been prepared under the historical cost convention, and are in accordance with applicable accounting standards. As described in note 30 the company was sold by its existing shareholders after the year end to A S Lathouwers NV. Subsequent to the year end the company repaid its loan stock and the bank facilities were renegotiated to a level that covers the forecast provision required. In the light of this restructuring the directors consider it appropriate to adopt the going concern basis in preparing these financial statements. The following principal accounting policies have been applied:

### *Basis of consolidation*

The consolidated statutory financial statements incorporate the results of Cotswold Outdoor Limited and its subsidiary, Cotswold Camping Limited, as at 27 February 2000. The group uses the acquisition method of accounting to consolidate the results of the subsidiary undertaking from the date of acquisition.

### *Goodwill*

Goodwill arising on an acquisition of a subsidiary undertaking is the difference between the fair value of the consideration paid and the fair value of the identifiable assets and liabilities acquired. It is amortised through the profit and loss account over the directors' estimate of its useful economic life of 20 years.

The amortisation charge for the period is set out in note 9.

### *Turnover*

Turnover represents sales to outside customers at invoiced amounts less value added tax.

### *Depreciation*

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all fixed assets, except for freehold land, over their expected useful economic lives. It is calculated at the following annual rates:

Freehold property	-	2% straight line
Short leasehold property	-	Over the period of the lease (straight line)
Fixtures, fittings and office equipment	-	20% straight line
Computer equipment	-	33⅓% straight line
Motor vehicles	-	25% straight line

### *Stocks*

Stocks are stated at the lower of average cost and net realisable value. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

### *Deferred taxation*

Provision is made for timing differences between the treatment of certain items for taxation and accounting purposes, to the extent that it is probable that a liability or asset will crystallise.

# COTSWOLD OUTDOOR LIMITED

Notes forming part of the financial statements for the 17 months ended 27 February 2000 (*Continued*)

## 1 Accounting policies (*continued*)

### *Leased assets*

Where assets are financed by leasing agreements that give rights approximating to ownership ('finance leases'), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

All other leases are treated as operating leases. Their annual rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

### *Foreign currencies*

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. All exchange differences are dealt with through the profit and loss account.

### *Pension costs*

Contributions to the group's defined contribution pension scheme are charged to the profit and loss account in the period in which they become payable.

### *New store pre-opening costs*

New store pre-opening costs are charged to the profit and loss account at the date that the stores are opened.

## 2 Turnover

Turnover and operating profit are wholly attributable to the principal activity of the group. The geographical analysis of turnover was as follows:

	17 month period ended 27 February 2000 £,000	15 month period ended 30 September 1998 £'000
United Kingdom	23,569	17,644
Rest of the world	1,230	930
	<hr/>	<hr/>
	24,799	18,574
	<hr/>	<hr/>

# COTSWOLD OUTDOOR LIMITED

Notes forming part of the financial statements for the 17 months ended 27 February 2000 (*Continued*)

		17 month period ended 27 February 2000 £'000	15 month period ended 30 September 1998 £'000
<b>3</b>	<b>Employees</b>		
	Staff costs consist of:		
	Wages and salaries	3,882	2,881
	Social security costs	299	242
	Other pension costs	36	39
		<u>4,217</u>	<u>3,162</u>
	The average monthly number of employees during the year was:	<b>Number</b>	<b>Number</b>
	Sales	184	153
	Administration	51	45
		<u>235</u>	<u>198</u>
<b>4</b>	<b>Directors' emoluments</b>	<b>£'000</b>	<b>£'000</b>
	Fees	60	29
	Other emoluments	211	166
	Pensions	33	28
		<u></u>	<u></u>
	Highest paid director		
	Emoluments	139	125
	Pension contributions	29	26
		<u></u>	<u></u>

One director is a member of the company's money purchase pension scheme. One director holds options over 35,000 1p B ordinary shares at an option price of 10p per share. No options were exercised during the period.

# COTSWOLD OUTDOOR LIMITED

Notes forming part of the financial statements for the 17 months ended 27 February 2000 (*Continued*)

## 5 Operating loss

	17 month period ended 27 February 2000 £'000	15 month period ended 30 September 1998 £'000
This is arrived at after charging:		
Depreciation	964	312
Auditors remuneration - statutory audit	18	18
- other services	35	20
Directors' emoluments	271	195
Operating leases - land and buildings	776	317
- other	98	41
Loss on sale of assets	-	5
	<u>          </u>	<u>          </u>

## 6 Interest payable

Bank loans and overdrafts	354	404
Long term funding interest	838	576
Hire purchase interest	13	9
	<u>          </u>	<u>          </u>
	1,205	989
	<u>          </u>	<u>          </u>

## 7 Taxation on loss from ordinary activities

Underprovision in prior period	-	21
Transfer to deferred taxation	-	19
	<u>          </u>	<u>          </u>
	-	40
	<u>          </u>	<u>          </u>

There is no tax charge for the period due to the availability of losses.

The group has approximately £1.4m of non-trading losses to carry forward against future non-trading income and approximately £1.2m of trading losses to carry forward against future trading income.

## 8 Loss for the financial period

The company has taken advantage of the exemption allowed under Section 230 of the Companies Act 1985 and has not presented its own profit and loss account in these non-statutory financial statements. The group loss for the period includes a loss after tax of £5,997,000 (1998 - £1,160,000) in respect of the company.



# COTSWOLD OUTDOOR LIMITED

Notes forming part of the financial statements for the 17 months ended 27 February 2000 (*Continued*)

## 9 Intangible assets

Group	Goodwill on consolidation £'000
<i>Cost</i>	
At 1 October 1998 and 27 February 2000	5,347
<i>Amortisation</i>	
At 1 October 1998	334
Provision for the period	377
Impairment write down (see below)	2,636
At 27 February 2000	3,347
<i>Net book value</i>	
At 27 February 2000	2,000
At 30 September 1998	5,013
<b>Company</b>	<b>Goodwill reallocated from cost of investment in subsidiary £'000</b>
<i>Cost</i>	
At 1 October 1998 and at 27 February 2000	5,347
<i>Amortisation</i>	
At 1 October 1998	334
Provision for the period	377
Impairment write down (see below)	2,636
At 27 February 2000	3,347
<i>Net book value</i>	
At 27 February 2000	2,000
At 30 September 1998	5,013

At 27 February 2000 the directors undertook an impairment review in accordance with FRS11 Impairment of Fixed Assets and Goodwill as a result of which the goodwill was written down by £2.636m. The discount rate applied to the cashflows for the purposes of this impairment review was 15%.

# COTSWOLD OUTDOOR LIMITED

Notes forming part of the financial statements for the 17 months ended 27 February 2000 (*Continued*)

## 9 Intangible assets (*continued*)

During the period ended 30 September 1998 the trade and net assets of Cotswold Camping Limited were transferred to the company at their book value which was the same as their fair value. The cost of the company's investment in that subsidiary undertaking reflected the underlying fair value of its net assets and goodwill at the time of acquisition. As a result of this transfer, the value of the company's investment in that subsidiary undertaking fell below the amount at which it was stated in the company's accounting records. Schedule 4 to the Companies Act 1985 requires that the investment be written down accordingly and that the amount be charged as a loss in the company's profit and loss account. However, the directors consider that, as there has been no overall loss to the company, it would fail to give a true and fair view to charge that diminution to the company's profit and loss account for the period and it should instead be reallocated to goodwill and the identifiable net assets transferred, so as to recognise in the company's individual balance sheet the effective cost to the company of those net assets and goodwill. The effect of this departure was to reduce the holding company's loss for the financial period ended 30 September 1998 by £4.75m, and to increase the value of intangible assets in the holding company's balance sheet by this amount. The group accounts are not affected by this transfer.

## 10 Tangible fixed assets

Group and company	Freehold property £'000	Short leasehold property £'000	Fixtures and office equipment £'000	Computer equipment £'000	Motor vehicles £'000	Total £'000
<i>Cost</i>						
At 1 October 1998	432	558	580	268	236	2,074
Additions	11	653	349	490	72	1,575
Disposals	-	-	-	-	(64)	(64)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 27 February 2000	443	1,211	929	758	244	3,585
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>						
At 1 October 1998	11	55	104	82	54	306
Provided in the period	13	199	333	305	114	964
Eliminated on disposals	-	-	-	-	(33)	(33)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 27 February 2000	24	254	437	387	135	1,237
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>						
At 27 February 2000	419	957	492	371	109	2,348
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 1998	421	503	476	186	182	1,768
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

# COTSWOLD OUTDOOR LIMITED

Notes forming part of the financial statements for the 17 months ended 27 February 2000 (*Continued*)

## 10 Tangible fixed assets (*continued*)

The figures stated above include assets held under finance leases and hire purchase contracts as follows:

	27 February 2000 £'000	30 September 1998 £'000
Net book value	122	131
Depreciation provided in the year	62	32

## 11 Fixed asset investments

### Group

#### Cost

At 1 October 1998

Less amounts transferred to debtors

Other £'000	Loans £'000	Total £'000
1	6	7
(1)	(6)	(7)
-	-	-

At 27 February 2000

Company	Group undertaking £'000	Other investments £'000	Loans £'000	Total £'000
At 1 October 1998	1,322	1	6	1,329
Less amounts transferred to debtors	-	(1)	(6)	(7)
At 27 February 2000	1,322	-	-	1,322

The company has one 100% owned subsidiary company, Cotswold Camping Limited. This company was incorporated in England and was dormant during the period ended 27 February 2000. The aggregate share capital and reserves in Cotswold Camping Limited at 27 February 2000 was £1,349,653.

# COTSWOLD OUTDOOR LIMITED

Notes forming part of the financial statements for the 17 months ended 27 February 2000 (*Continued*)

12 Stocks	27 February 2000 £'000	30 September 1998 £'000
<b>Group and Company</b>		
Goods for resale	2,624	2,684
Non-trading stock	9	1
	<hr/>	<hr/>
	2,633	2,685
	<hr/>	<hr/>

There is no material difference between the replacement cost of stocks and the amounts stated above.

13 Debtors	27 February 2000		30 September 1998	
	Group £'000	Company £'000	Group £'000	Company £'000
Trade debtors	445	445	219	219
Prepayments and accrued income	339	366	371	371
	<hr/>	<hr/>	<hr/>	<hr/>
	784	811	590	590
	<hr/>	<hr/>	<hr/>	<hr/>

All amounts shown under debtors fall due for payment within one year.

14 Creditors: amounts falling due within one year	27 February 2000		30 September 1998	
	Group £'000	Company £'000	Group £'000	Company £'000
Bank overdraft	259	259	346	346
Term loan	2,549	2,549	2,989	2,989
Amount owed to group undertakings	-	1,349	-	1,322
Trade creditors	3,124	3,124	1,198	1,198
Creditors for taxation and social security	184	184	258	258
Other creditors	345	345	21	21
Accruals	863	863	291	291
Obligations under hire purchase contracts	52	52	47	47
	<hr/>	<hr/>	<hr/>	<hr/>
	7,376	8,725	5,150	6,472
	<hr/>	<hr/>	<hr/>	<hr/>

The term loan and overdraft are secured by a fixed and floating charge over the assets of the group and company. The term loan in respect to 1998 has been re-categorised as falling due within one year following the breaking of bank covenants during the period ended 27 February 2000.

# COTSWOLD OUTDOOR LIMITED

Notes forming part of the financial statements for the 17 months ended 27 February 2000 (*Continued*)

15 Creditors: amounts falling due after more than one year	27 February 2000 £'000	30 September 1998 £'000
<b>Group and Company</b>		
10% unsecured loan stock 2002/05	5,009	4,329
10% unsecured loan stock 2006/07	1,417	631
6% unsecured loan stock 2002	225	210
6% unsecured loan stock 2002/05	269	250
Obligations under hire purchase contracts	33	52
	<u>6,953</u>	<u>5,472</u>

The 10% unsecured loan stock is with the equity shareholders of the company: NatWest Ventures (Nominees) Limited, Gartmore Venture Capital Trust plc, Quester Venture Capital Trust plc, Anvil Partners and J A Lusher (see note 17).

The above (excluding obligations under hire purchase contracts) are repayable as follows:

	10% unsecured loan stock 2002/05 £'000	10% unsecured loan stock 2006/07 £'000	6% unsecured loan stock £'000	2000 Total £'000	1998 Total £'000
In more than two years but not more than five years	3,517	-	411	3,928	1,558
In more than five years	1,492	1,417	83	2,992	3,862
	<u>5,009</u>	<u>1,417</u>	<u>494</u>	<u>6,920</u>	<u>5,420</u>

# COTSWOLD OUTDOOR LIMITED

Notes forming part of the financial statements for the 17 months ended 27 February 2000 (Continued)

## 15 Creditors: amounts falling due after more than one year (continued)

Accrued interest and issue costs on the proceeds of the loans have been included within the above as detailed below:

	Principal o/s at 1 October 1998 £'000	Advanced in period £'000	Repaid in period £'000	Issue costs £'000	Accrued interest £'000	2000 Total £'000	1998 Total £'000
Due within one year:							
Term loan	3,060	-	(460)	(51)	-	2,549	2,989
10% unsecured loan stock 2002/05	3,933	-	-	(91)	1,167	5,009	4,329
10% unsecured loan stock 2006/07	600	650	-	-	167	1,417	631
6% unsecured loan stock 2002	210	-	-	-	15	225	210
6% unsecured loan stock 2002/05	250	-	-	-	19	269	250
	4,993	650	-	(91)	1,368	6,920	5,420

The term loan is repayable in quarterly instalments of £140,000 until 30 September 2002. The instalments then increase to £150,000 per quarter with a final repayment on 30 June 2004 of £160,000.

The interest rate on the term loan is based on a margin over LIBOR. The company has an interest rate cap in place to protect against any large increase in base rates.

	27 February 2000 £'000	30 September 1998 £'000
Obligations under hire purchase contracts are repayable as follows:		
In more than one year but not more than two years	23	42
In more than two years but not more than five years	10	10
	33	52

## 16 Provisions for liabilities and charges

	2000		1998	
	Unprovided £'000	Provided £'000	Unprovided £'000	Provided £'000
Group and company				
Accelerated capital allowances	-	19	-	19

# COTSWOLD OUTDOOR LIMITED

Notes forming part of the financial statements for the 17 months ended 27 February 2000 (*Continued*)

## 17 Share capital

	27 February 2000 £'000	30 September 1998 £'000
<i>Authorised</i>		
1,777,777 'A' ordinary shares of 1p each	18	18
1,333,333 'B' ordinary shares of 1p each	13	13
	<u>31</u>	<u>31</u>
<i>Allotted, called up and fully paid</i>		
1,777,777 'A' ordinary shares of 1p each	18	18
1,000,000 'B' ordinary shares of 1p each	10	10
	<u>28</u>	<u>28</u>

All ordinary shares rank pari-passu with each other.

Included within creditors falling due after more than one year are the following 10% unsecured loans provided by the equity shareholders:

	27 February 2000 £'000	30 September 1998 £'000
NatWest Ventures (Nominees) Limited	3,794	2,905
Gartmore Venture Capital Trust plc	1,125	861
Quester Venture Capital Trust plc	1,125	861
Anvil Partners	210	183
J A Lusher	172	150
	<u>6,426</u>	<u>4,960</u>

## 18 Reserves

	Group		Company	
	Share premium £'000	Profit and loss account £'000	Share premium £'000	Profit and loss account £'000
At 1 October 1998	554	(1,160)	554	(1,160)
Loss for the period	-	(5,997)	-	(5,997)
	<u>554</u>	<u>(7,157)</u>	<u>554</u>	<u>(7,157)</u>
At 27 February 2000	554	(7,157)	554	(7,157)

# COTSWOLD OUTDOOR LIMITED

Notes forming part of the financial statements for the 17 months ended 27 February 2000 (*Continued*)

## 19 Reconciliation of movements in shareholders' funds

	27 February 2000		30 September 1998	
	Group £'000	Company £'000	Group £'000	Company £'000
Loss for period	(5,997)	(5,997)	(1,160)	(1,160)
Issue of 'A' ordinary shares	-	-	533	533
Issue of 'B' ordinary shares	-	-	100	100
Issue costs	-	-	(51)	(51)
	<u>(5,997)</u>	<u>(5,997)</u>	<u>(578)</u>	<u>(578)</u>
Opening shareholders' funds	(578)	(578)	-	-
	<u>(578)</u>	<u>(578)</u>	<u>-</u>	<u>-</u>
Closing shareholders' funds	<u>(6,575)</u>	<u>(6,575)</u>	<u>(578)</u>	<u>(578)</u>

## 20 Reconciliation of operating loss to net cash inflow from operating activities

	17 month period ended 27 February 2000 £'000	15 month period ended 30 September 1998 £'000
Operating loss	(4,805)	(153)
Depreciation	964	312
Loss on disposal of tangible fixed assets	-	5
Investment transferred to debtors	7	-
Amortisation of goodwill	3,013	334
Amortisation of initial costs	44	-
Decrease/(increase) in stocks	52	(274)
(Increase)/decrease in debtors	(194)	29
Increase in creditors	2,754	403
	<u>1,835</u>	<u>656</u>
Net cash inflow from operating activities	<u>1,835</u>	<u>656</u>



# COTSWOLD OUTDOOR LIMITED

Notes forming part of the financial statements for the 17 months ended 27 February 2000 (*Continued*)

21	Reconciliation of net cash flow to movement in net debt	17 month period ended 27 February 2000 £'000	15 month period ended 30 September 1998 £'000
	Increase/(decrease) in cash in the period	95	(346)
	Cash inflow from increase in debt and lease financing	(106)	(7,977)
		<hr/>	<hr/>
	Change in net debt resulting from cashflows	(11)	(8,323)
	New finance leases	(70)	(133)
	Finance leases acquired with subsidiary	-	(42)
	Opening net debt	(8,498)	-
		<hr/>	<hr/>
	Closing net debt	(8,579)	(8,498)
		<hr/>	<hr/>

22	Analysis of net debt	At 1 October 1998 £'000	Cashflow £'000	Acquisition £'000	Inception of finance leases £'000	At 27 February 2000 £'000
	Bank overdraft (net of cash at bank)	(346)	95			(251)
		<hr/>	<hr/>			<hr/>
	Debt due after one year	(4,933)	(650)			(5,643)
	Debt due within one year	(3,060)	460			(2,600)
	Finance leases	(99)	84	-	(70)	(85)
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		(8,152)	(106)	-	(70)	(8,328)
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	Total	(8,498)	(11)	-	(70)	(8,579)
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The company is bound by certain covenants concerning the financial performance and activity of the group.

## 23 Employee share option schemes

The company operates an unapproved executive share option scheme. The options are in respect of the 'B' ordinary shares all granted at 10p per share. No options were exercised during the year. Further details of these options are disclosed within the directors report.

## COTSWOLD OUTDOOR LIMITED

Notes forming part of the financial statements for the 17 months ended 27 February 2000 (*Continued*)

### 24 Commitments under operating leases

As at 27 February 2000 the group had annual commitments under non-cancellable operating leases as set out below:

	27 February 2000 Group and Company		30 September 1998 Group and Company	
	Land and buildings £'000	Other £'000	Land and buildings £'000	Other £'000
Operating lease which expire:				
Within one year	34	47	38	5
In more than one year but not more than two years	-	3	-	23
In more than two years but not more than five years	-	40	-	12
In more than five years	717	9	303	-
	<u>751</u>	<u>99</u>	<u>341</u>	<u>40</u>

### 25 Related party transactions

There were no material related party transactions in the current and prior period.

### 26 Transactions with directors

During the period Anvil Partners invoiced the company for £5,667 for the services of M Martin as a director of the company; Andante Consultants Limited invoiced the company £25,500 for the services of J A Lusher as a director of the company and Adsum Limited invoiced the company £28,333 for the services of R J Steele as a director of the company. Incidental expenses of £8,125 were charged in addition to the fees.

During the period the company made purchases of £32,719 from Colab Limited, a company of which R J Steele is a director. The amount owing to this company at the period end was £6,346.

## **COTSWOLD OUTDOOR LIMITED**

**Notes forming part of the financial statements for the 17 months ended 27 February 2000 (*Continued*)**

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### **27 Contingent liabilities**

The group has a guarantee with HM Customs & Excise for a maximum liability of £20,000.

### **28 Pensions**

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

### **29 Controlling party**

The companies controlling party at 27 February 2000 was Natwest Ventures plc.

### **30 Post balance sheet events**

Subsequent to the year end, on 30 March 2000 the directors negotiated to sell the entire share capital of the company to A S Lathouwers NV (ASL), a company incorporated in Belgium.

Subsequent to the year end on 29 March 2000 the long term loan stock was converted into share capital and on 30 March 2000 the share capital was acquired by ASL. On 30 March 2000 the bank funding was repaid. The company is currently in the process of applying to the courts to reduce the share capital against accumulated losses.