

**JVC LEISURE LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR**  
**30 SEPTEMBER 2006**



**ALAN RUSH & CO.**  
Chartered Accountants  
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Essex  
SS9 2AB

**JVC LEISURE LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 30 SEPTEMBER 2006**

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# JVC LEISURE LIMITED

## THE DIRECTOR'S REPORT

### YEAR ENDED 30 SEPTEMBER 2006

The director has pleasure in presenting his report and the unaudited financial statements of the company for the year ended 30 September 2006

#### PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of amusement machine hire, repair and sales

#### RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £21,153 Particulars of dividends paid are detailed in note 4 to the financial statements

#### THE DIRECTOR AND HIS INTERESTS IN THE SHARES OF THE COMPANY

The director who served the company during the year together with his beneficial interests, including family holdings, in the shares of the company was as follows

	Ordinary Shares of £1 each	
	At 30 September 2006	At 1 October 2005
Mr J V H Colbear	<u>2</u>	<u>2</u>

#### SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985

Registered office  
1349/1353 London Road  
Leigh on Sea  
Essex  
SS9 2AB

Signed by order of the director



MRS L C COLBEAR  
Company Secretary

Approved by the director on 5 June 2007

**JVC LEISURE LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 30 SEPTEMBER 2006**

	Note	2006 £	2005 £
<b>TURNOVER</b>		140,128	121,335
Cost of sales		54,677	31,481
<b>GROSS PROFIT</b>		85,451	89,854
Administrative expenses		60,296	58,722
Other operating income		(1,451)	—
<b>OPERATING PROFIT</b>	<b>2</b>	26,606	31,132
Interest receivable		2	9
Interest payable and similar charges		(2,155)	(868)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		24,453	30,273
Tax on profit on ordinary activities	<b>3</b>	3,300	6,002
<b>PROFIT FOR THE FINANCIAL YEAR</b>		21,153	24,271
Balance brought forward		9,310	9,039
Equity dividends paid (FRS 25)		(21,000)	(24,000)
Balance carried forward		9,463	9,310

The notes on pages 4 to 7 form part of these financial statements

# JVC LEISURE LIMITED

## BALANCE SHEET

30 SEPTEMBER 2006

	Note	2006 £	2005 £
<b>FIXED ASSETS</b>			
Tangible assets	5	88,268	75,093
<b>CURRENT ASSETS</b>			
Stocks		26,663	29,871
Debtors	6	27,443	23,749
Cash in hand		240	389
		<u>54,346</u>	<u>54,009</u>
<b>CREDITORS: Amounts falling due within one year</b>	7	<u>106,088</u>	<u>115,192</u>
<b>NET CURRENT LIABILITIES</b>		(51,742)	(61,183)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		36,526	13,910
<b>CREDITORS: Amounts falling due after more than one year</b>	8	<u>27,061</u>	<u>4,598</u>
		<u>9,465</u>	<u>9,312</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	10	2	2
Profit and loss account		9,463	9,310
<b>SHAREHOLDERS' FUNDS</b>		<u>9,465</u>	<u>9,312</u>

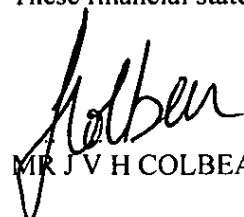
The director is satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act

The director acknowledges his responsibility for

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective January 2005)

These financial statements were approved and signed by the director on 5 June 2007

  
MR J V H COLBEAR

The notes on pages 4 to 7 form part of these financial statements

# **JVC LEISURE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 30 SEPTEMBER 2006**

### **1. ACCOUNTING POLICIES**

#### **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 January 2005)

#### **Changes in accounting policies**

In preparing the financial statements for the current year, the company has adopted the Financial Reporting Standard for Smaller Entities (effective January 2005)

There has been no effect of change in accounting policy on the results for the current year

#### **Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion

#### **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

Plant & Machinery	-	15% on reducing balance
Fixtures & Fittings	-	15 % on reducing balance
Motor Vehicles	-	25 % on Straight line

#### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

#### **Hire purchase agreements**

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis

# JVC LEISURE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2006

### 1. ACCOUNTING POLICIES *(continued)*

#### Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

#### Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

### 2. OPERATING PROFIT

Operating profit is stated after charging/(crediting)

	2006 £	2005 £
Director's emoluments	5,200	5,300
Depreciation of owned fixed assets	13,775	12,405
Depreciation of assets held under hire purchase agreements	3,403	855
Loss on disposal of fixed assets	—	4,677
Profit on disposal of fixed assets	(251)	—
	<u>          </u>	<u>          </u>

### 3. TAXATION ON ORDINARY ACTIVITIES

	2006 £	2005 £
Current tax		
UK Corporation tax based on the results for the year at 19% (2005 - 19%)	3,300	6,002
Total current tax	<u>3,300</u>	<u>6,002</u>

### 4. DIVIDENDS

#### Equity dividends

	2006 £	2005 £
Paid		
Equity dividends on ordinary shares	<u>21,000</u>	<u>24,000</u>

# JVC LEISURE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2006

### 5. TANGIBLE FIXED ASSETS

	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicle £	Total £
<b>COST</b>				
At 1 October 2005	131,341	3,591	—	134,932
Additions	25,079	—	13,612	38,691
Disposals	(10,415)	—	—	(10,415)
<b>At 30 September 2006</b>	<u>146,005</u>	<u>3,591</u>	<u>13,612</u>	<u>163,208</u>
<b>DEPRECIATION</b>				
At 1 October 2005	58,400	1,439	—	59,839
Charge for the year	13,451	324	3,403	17,178
On disposals	(2,077)	—	—	(2,077)
<b>At 30 September 2006</b>	<u>69,774</u>	<u>1,763</u>	<u>3,403</u>	<u>74,940</u>
<b>NET BOOK VALUE</b>				
<b>At 30 September 2006</b>	<u>76,231</u>	<u>1,828</u>	<u>10,209</u>	<u>88,268</u>
At 30 September 2005	<u>72,941</u>	<u>2,152</u>	<u>—</u>	<u>75,093</u>

#### Hire purchase agreements

Included within the net book value of £88,268 is £10,209 (2005 - £4,845) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £3,403 (2005 - £855).

### 6. DEBTORS

	2006 £	2005 £
Trade debtors	25,435	20,862
Prepayments and accrued income	2,008	2,887
	<u>27,443</u>	<u>23,749</u>



# JVC LEISURE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2006

### 7. CREDITORS: Amounts falling due within one year

	2006		2005	
	£	£	£	£
Bank loans and overdrafts		12,779		25,639
Trade creditors		3,953		2,312
Other creditors including taxation and social security				
Corporation tax	3,300		6,002	
PAYE and social security	8		15	
VAT	1,666		2,449	
Hire purchase agreements	3,488		2,676	
Director's current account	73,519		72,797	
Accruals and deferred income	7,375		3,302	
		<u>89,356</u>		<u>87,241</u>
		<u>106,088</u>		<u>115,192</u>

### 8. CREDITORS: Amounts falling due after more than one year

	2006		2005	
	£	£	£	£
Bank loans and overdrafts		19,430		4,598
Hire purchase agreements		7,631		—
		<u>27,061</u>		<u>4,598</u>

### 9 RELATED PARTY TRANSACTIONS

The company was under the control of Mr J V H Colbear, a director and member of his close family throughout the current and previous year. Mr J V H Colbear is personally interested in 50% (2005 50%) of the company's share capital.

There were no other transactions with the director or other related party matters which require disclosure.

### 10 SHARE CAPITAL

#### Authorised share capital:

	2006		2005	
	No	£	No	£
100 Ordinary shares of £1 each		<u>100</u>		<u>100</u>

#### Allotted, called up and fully paid:

	2006		2005	
	No	£	No	£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

**JVC LEISURE LIMITED**  
**MANAGEMENT INFORMATION**  
**YEAR ENDED 30 SEPTEMBER 2006**

**The following pages do not form part of the statutory financial statements**