

Registered

STREETE COURT LEISURE LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2002

Company No 3454845 (England and Wales)



STREETE COURT LEISURE LIMITED

COMPANY INFORMATION

| | |
|-------------------|--|
| Directors | Mr R G Noades Mrs N L Noades Mr D W Waddington |
| Secretary | Mr P J Skinner |
| Company Number | 3454845 |
| Registered Office | Streete Court Rooks Nest Park Godstone Surrey RH9 8BZ |
| Auditors | Meyer Williams Chartered Accountants 19/21 Bull Plain Hertford Herts SG14 1DX |

STREETE COURT LEISURE LIMITED

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STREETE COURT LEISURE LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31ST MAY 2002

The directors present their report together with the financial statements for the year ended 31st May 2002.

Principal Activities and Review of Business

The company's principal activity continued to be that of the ownership of a freehold property with a view to the development of a leisure club.

Results and Dividends

The results for the year are set out in the profit and loss account on page 4.

Dividends

The directors do not recommend payment of a dividend.

Directors

The directors who served during the year and their beneficial interests in the company's issued share capital were:

| | Ordinary Shares | |
|--|---|---|
| | 31st May 2002 | 1st June 2001 |
| Mr R G Noades | - | - |
| Mrs N L Noades | - | - |
| Mr D A Miller (Resigned 31 st May 2002) | - | - |
| Mr D W Waddington | - | - |

Mr Noades has an interest in 100% of the issued share capital of Altonwood Holdings Limited the company's ultimate holding company.

Events Since the End of the Year

There were no post balance sheet events.

Political and Charitable Contributions

The company made no political or charitable contributions during the year.

Fixed Assets

In the opinion of the directors there is no significant difference between the net book value and open market value of the company's freehold or investment properties.

STREETE COURT LEISURE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST MAY 2002

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 the company's affairs and of the profit or loss for that year. In preparing these financial statements the directors are required to:

Select suitable accounting policies and the 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 accounts;

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 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.

Auditors

The auditors, Meyer Williams Chartered Accountants, have indicated their willingness to accept re-appointment under Section 385(2) of the Companies Act 1985.

This report was approved by the board on 20th March 03 and signed on its behalf.



Mr P J Skinner, Secretary

Date: 20/2/03

STREETE COURT LEISURE LIMITED
REPORT OF THE INDEPENDENT AUDITORS TO THE
SHAREHOLDERS OF STREETE COURT LEISURE LIMITED

We have audited the financial statements of Streete Court Leisure Limited for the year ended 31 May 2002 on pages 4 to 12. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described on page two the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Directors is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

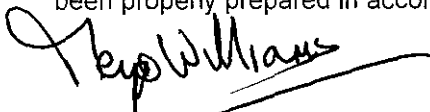
Basis of opinion

We conducted our audit in accordance with United Kingdom 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 31 May 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Meyer Williams
19/21 Bull Plain
Hertford, Herts
SG14 1DX
REGISTERED AUDITORS

Dated: 24/03/03

STREETE COURT LEISURE LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MAY 2002

| | Notes | 2002 £ | 2001 £ |
|--|--------------|-----------------------------|----------------------|
| Turnover | 2 | 57,101 | 45,569 |
| Gross Profit | | <u>57,101</u> | <u>45,569</u> |
| Administrative Expenses | | 240,258 | 95,434 |
| Operating Loss | 3 | (183,157) | (49,865) |
| Exceptional item | 5 | 235,000 | 500,000 |
| | | <u>51,843</u> | <u>450,135</u> |
| Interest Payable and Similar Charges | 4 | (49,965) | (67,268) |
| Profit on Ordinary Activities before Taxation | | <u>1,878</u> | <u>382,867</u> |
| Tax on Profit / (Loss) on ordinary activities | 6 | - | - |
| Profit for the Financial Year | | <u>1,878</u> | <u>382,867</u> |
| Retained Profit / (Loss) Brought Forward | | 12,796 | (370,071) |
| Retained Profit Carried Forward | | <u><u>14,674</u></u> | <u><u>12,796</u></u> |

All amounts relate to continuing activities.

There are no recognised gains or losses for 2002 or 2001 other than those included in the profit and loss account.

STREETE COURT LEISURE LIMITED

BALANCE SHEET

AS AT 31ST MAY 2002

| | Notes | 2002 £ | £ | 2001 £ | £ |
|--|-------|---------------|------------------|---------------|------------------|
| Fixed Assets | | | | | |
| Tangible assets | 7 | | 2,031,105 | | 1,888,249 |
| Investments | 8 | | 145,736 | | 145,736 |
| | | | <u>2,176,841</u> | | <u>2,033,985</u> |
| Current Assets | | | | | |
| Debtors | 9 | 25,437 | | 12,780 | |
| Cash at bank and in hand | | 860 | | - | |
| | | <u>26,297</u> | | <u>12,780</u> | |
| Creditors: Amounts Falling Due Within One Year | 10 | 1,579,823 | | 1,313,875 | |
| | | | | | |
| Net Current Liabilities | | | (1,553,526) | | (1,301,095) |
| Total Assets Less Current Liabilities | | | <u>623,315</u> | | <u>732,890</u> |
| Creditors: Amounts Falling Due After More Than One Year | 11 | | 608,640 | | 720,093 |
| | | | <u>14,675</u> | | <u>12,797</u> |
| Capital and Reserves | | | | | |
| Share capital | 13 | | 1 | | 1 |
| Profit and loss account | | | 14,674 | | 12,796 |
| Shareholders' Funds | 14 | | <u>14,675</u> | | <u>12,797</u> |

These financial statements were approved by the board on 20th March 03 and signed on its behalf.

Mr R G Noades
Director

STREETE COURT LEISURE LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MAY 2002

| | Notes | 2002 £ | 2001 £ |
|--|-------|------------------|------------------|
| CASH FLOW STATEMENT | | | |
| Net Cash Inflow from Operating Activities | 18 | 296,269 | 288,978 |
| Returns on Investments and Servicing of Finance | 19 | (49,965) | (67,268) |
| Capital Expenditure and Financial Investment | 19 | (144,906) | (153,736) |
| Cash Inflow Before Use of Liquid Resources and Financing | | <u>101,398</u> | <u>67,974</u> |
| Financing | 19 | (100,538) | (72,855) |
| Increase/(Decrease) in Cash | | <u>860</u> | <u>(4,881)</u> |
| Reconciliation of Net Cash Flow to Movement in Net Debt | | | |
| Increase/(Decrease) in Cash in the year | | 860 | (4,881) |
| Cash outflow from decrease in net debt | 20 | 100,538 | 72,855 |
| Decrease in Net Debt | 20 | <u>101,398</u> | <u>67,974</u> |
| Net Debt at 1st June 2001 | | (817,434) | (885,408) |
| Net Debt at 31st May 2002 | 20 | <u>(716,036)</u> | <u>(817,434)</u> |

STREETE COURT LEISURE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2002

1 Accounting policies

Basis of Accounting

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with applicable Accounting and Financial Reporting Standards.

The directors consider that the going concern basis is appropriate on the grounds that the directors of Altonwood Limited (the company's parent company) have confirmed that they will continue to make available adequate facilities to support the company.

Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

Depreciation

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets other than freehold land by equal annual instalments over their expected useful lives. The rates and periods generally applicable are:

| | |
|---------------------|-------------|
| Freehold properties | see below |
| Plant and equipment | 20% on cost |

Depreciation is not provided in respect of freehold property. This policy represents a departure from the rules set out in the Companies Act 1985 which require all fixed assets to be depreciated over their expected useful lives. The company's properties are maintained to such a standard that their residual value is not less than their cost and the directors consider that systematic annual depreciation would be inappropriate.

The directors consider that the policy adopted is necessary in order that the Financial Statements give a true and fair view. The amount of depreciation which might otherwise have been provided cannot be separately identified or quantified.

Related party transactions

As disclosed in the related parties note, the parent company is Altonwood Limited and ultimate parent company is Altonwood Holdings Limited. The results of the company are included in the consolidated financial statements of Altonwood Holdings Limited which are available to the public from the Registrar of Companies, Companies House, Crown Way, Cardiff CF4 3UZ.

The company has taken advantage of the exemptions conferred by Financial Reporting Statement 8, "Related Party Disclosures". Transactions and balances with other group companies which are eliminated in the consolidated financial statements of Altonwood Holdings Limited are not disclosed for companies where the ultimate parent company controls 90% or more of the voting rights.

STREETE COURT LEISURE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2002

1 Accounting policies – continued

Deferred Taxation

In accordance with Financial Reporting Standard 19 provision is made at current rates for taxation deferred in respect of all material timing differences except those relating to revalued fixed assets.

Investment Properties

In accordance with Statement of Standard Accounting Practice No. 19, properties held for long term investment are included in the Balance Sheet at their open market values. The surplus or deficit on annual revaluation of such properties is transferred to the investment property revaluation reserve.

Depreciation is not provided in respect of investment properties. This policy represents a departure from the rules set out in the Companies Act 1985 which require all fixed assets to be depreciated over their expected useful lives. The company's property is held for investment rather than consumption and the directors consider that systematic annual depreciation would be inappropriate.

The directors consider that the policy adopted is necessary in order that the Financial Statements give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

2 Turnover

Turnover is attributable to the principal activity of the company.

The geographical analysis of turnover is as follows:

| | 2002 £ | 2001 £ |
|----|---------------|---------------|
| UK | <u>57,101</u> | <u>45,569</u> |

3 Operating Loss

The operating loss is arrived at after charging or crediting:

| | 2002 £ | 2001 £ |
|---|--------------|--------------|
| Depreciation on owned assets | 2,050 | 1,200 |
| Auditors' remuneration – non audit work | - | 290 |
| Auditors' remuneration | <u>2,380</u> | <u>1,650</u> |

4 Interest Payable and Similar Charges

Bank overdrafts and loans

| | 2002 £ | 2001 £ |
|---------------------------|---------------|---------------|
| Bank overdrafts and loans | <u>49,965</u> | <u>67,268</u> |

5 Exceptional item

Amount written off borrowings from group company

| | 2002 £ | 2001 £ |
|--|----------------|----------------|
| Amount written off borrowings from group company | <u>235,000</u> | <u>500,000</u> |

STREETE COURT LEISURE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2002

6 Taxation

There is no tax charge for the year (2001 Nil).

During the year the company transferred trading losses under group election amounting to £81,129. No payment was received for the amounts transferred.

7 Tangible Fixed Assets

| | Freehold Land and Buildings | Plant And Equipment | Total |
|------------------------------------|--|------------------------------------|------------------|
| Cost | £ | £ | £ |
| At 1 st June 2001 | 1,881,449 | 8,000 | 1,889,449 |
| Additions | 142,207 | 2,699 | 144,906 |
| At 31st May 2002 | <u>2,023,656</u> | <u>10,699</u> | <u>2,034,355</u> |
| Depreciation | | | |
| At 1 st June 2001 | - | 1,200 | 1,200 |
| Charge for year | - | 2,050 | 2,050 |
| At 31st May 2002 | <u>-</u> | <u>3,250</u> | <u>3,250</u> |
| Net Book Value | | | |
| At 31st May 2002 | <u>2,023,656</u> | <u>7,449</u> | <u>2,031,105</u> |
| At 31 st May 2001 | <u>1,881,449</u> | <u>6,800</u> | <u>1,888,249</u> |

8 Fixed Asset Investments

| | |
|------------------------------|---|
| | Long Leasehold Investment Property £ |
| Cost | |
| At 31 st May 2002 | <u>145,736</u> |
| Net Book Value | |
| At 31 st May 2002 | <u>145,736</u> |

The Investment property is valued at the price paid, which the directors believe represents open market value.

STREETE COURT LEISURE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2002

| | | | |
|--|---|------------------|------------------|
| 9 | Debtors | 2002 | 2001 |
| | | £ | £ |
| | Trade debtors | 305 | 6,906 |
| | Other debtors | 6,676 | 115 |
| | Prepayments and accrued income | 18,456 | 5,759 |
| | | <u>25,437</u> | <u>12,780</u> |
| 10 | Creditors: Amounts Falling Due Within One Year | 2002 | 2001 |
| | | £ | £ |
| | Bank loans and overdrafts (Note 12) | 108,256 | 97,341 |
| | Trade creditors | 13,834 | 5,172 |
| | Amounts owed to group undertakings | 1,441,804 | 1,184,377 |
| | Other taxes and social security | - | - |
| | Accruals and deferred income | 15,929 | 26,985 |
| | | <u>1,579,823</u> | <u>1,313,875</u> |
| The bank loans and overdrafts are secured by a Mortgage dated 21 st December 1998 over the company's freehold property. | | | |
| 11 | Creditors: Amounts Falling Due After One Year | 2002 | 2001 |
| | | £ | £ |
| | Bank loans (Note 12) | <u>608,640</u> | <u>720,093</u> |
| See Note 10 for security details. | | | |
| 12 | Loans | 2002 | 2001 |
| | | £ | £ |
| | Amounts included in creditors and payable in more than five years by instalments: | | |
| | Bank loans | <u>126,762</u> | <u>399,031</u> |
| | Amounts repayable: | | |
| | In one year or less, or on demand | 108,256 | 97,341 |
| | Between one and two years | 107,739 | 99,385 |
| | Between two and five years | 374,139 | 221,677 |
| | | <u>590,134</u> | <u>418,403</u> |
| | In five years or more | 126,762 | 399,031 |
| | | <u>716,896</u> | <u>817,434</u> |

STREETE COURT LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MAY 2002

| | | | |
|-----------|---|---------------|------------------|
| 13 | Share Capital | 2002 | 2001 |
| | | £ | £ |
| | Authorised | | |
| | Equity Shares | | |
| | 1,000 Ordinary shares of £1.00 each | <u>1,000</u> | <u>1,000</u> |
| | Allotted | | |
| | Equity Shares | | |
| | 1 Allotted, called up and fully paid ordinary share of £1.00 each | <u>1</u> | <u>1</u> |
| 14 | Reconciliation of Shareholders' Funds | 2002 | 2001 |
| | | £ | £ |
| | Profit for the financial year | <u>1,878</u> | <u>382,867</u> |
| | Increase in shareholders' funds | <u>1,878</u> | <u>382,867</u> |
| | Opening shareholders' funds | <u>12,797</u> | <u>(370,070)</u> |
| | Closing shareholders' funds | <u>14,675</u> | <u>12,797</u> |

15 Transactions with Directors

Mr D W Waddington has an interest in the supply of services to the company by way of his Chartered Accountancy Practice which amounted to £Nil (2001 £20,090).
The company received rental income of £8,677 in the year from Mr R G Noades.
All transactions are undertaken on normal commercial terms.

16 Related Parties

In the directors' opinion the company's parent company and controlling party is Altonwood Limited, a company incorporated in England. The company's ultimate parent company is Altonwood Holdings Limited, a company incorporated in England

The company's ultimate controlling party during the current and previous years has been Mr R G Noades.

During the year the company received from Brentford FC Limited, a fellow group company, £Nil (2001 - £2,708) in respect of rental of training facilities.

The company has an agreement with Mr & Mrs F Davison (trading as Davison Builders) for building work on a commercial basis at the company's freehold property. Mrs Davison is the sister of Mr R G Noades. The building work totalled £75,822 (2001 £4,812).

During the year the company acquired some land from Crystal Palace F.C. Youth Trust a charity of which Mr R G Noades is a Trustee.

All transactions are undertaken on normal commercial terms.

17 Contingent Liabilities

The company has given guarantees to its bankers in respect of other group companies which amounted to £980,694 at 31st May 2002 (2001 £2,151,228).

STREETE COURT LEISURE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2002

18 Reconciliation of Operating Loss to Net Cash Inflow from Operating Activities

| | 2002 £ | 2001 £ |
|--|----------------|----------------|
| Operating (loss) | (183,157) | (49,865) |
| Depreciation charges | 2,050 | 1,200 |
| (Increase) in debtors | (12,657) | (6,424) |
| Increase/(decrease) in other creditors | 255,033 | (155,933) |
| Exceptional item | 235,000 | 500,000 |
| | <u>296,269</u> | <u>288,978</u> |

19 Gross Cash Flows

| | 2002 £ | 2001 £ |
|--|-----------|-----------|
| Returns on Investments and Servicing Finance | | |
| Interest paid | (49,965) | (67,268) |
| Net cash outflow for returns on investments and servicing of finance | (49,965) | (67,268) |
| Capital Expenditure and Financial Investment | | |
| Payments to acquire tangible fixed assets | (144,906) | (153,736) |
| Net cash outflow from investing activities | (144,906) | (153,736) |
| Financing | | |
| Bank loan repayments | (100,538) | (72,855) |
| Net cash outflow from financing | (100,538) | (72,855) |

20 Analysis of Changes in Net Debt

| | 2001 £ | Cash flows £ | 2002 £ |
|------------------------------|-----------|--------------------|-----------|
| Cash | | | |
| Cash at bank and in hand | - | 860 | 860 |
| Debt | | | |
| Bank loans due within 1 year | (97,341) | (10,915) | (108,256) |
| Bank loans due after 1 year | (720,093) | 111,453 | (608,640) |
| | (817,434) | 100,538 | (716,896) |
| | (817,434) | 101,398 | 716,036 |