

NEWTON LEISURE (SCOTLAND) LTD
FINANCIAL STATEMENTS
FOR
31ST DECEMBER 2001

Company Registration Number SC121748



W D HALL & CO
Chartered Accountants & Registered Auditors
117 Crow Road
Partick
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G11 7SQ

NEWTON LEISURE (SCOTLAND) LTD

FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2001

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NEWTON LEISURE (SCOTLAND) LTD

THE DIRECTORS' REPORT

YEAR ENDED 31ST DECEMBER 2001

The directors have pleasure in presenting their report and the unaudited financial statements of the company for the year ended 31st December 2001.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was Amusement Arcade Operators.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 December 2001	At 1 January 2001
Mr J Newton	950	950
Mrs A Newton	<u>50</u>	<u>50</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:
31-35 Titchfield Street
Kilmarnock
KA1 1QW

Signed by order of the directors

A NEWTON
Company Secretary

Approved by the directors on A Newton

NEWTON LEISURE (SCOTLAND) LTD**PROFIT AND LOSS ACCOUNT****YEAR ENDED 31ST DECEMBER 2001**

	Note	2001 £	2000 £
TURNOVER		155,131	152,241
OPERATING COSTS:			
Staff costs		(29,632)	(37,877)
Depreciation written off fixed assets		(27,860)	(43,658)
Other operating charges		(94,548)	(87,596)
OPERATING PROFIT/(LOSS)	2	3,091	(16,890)
Interest receivable		56	-
Interest payable		-	(131)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		3,147	(17,021)
Tax on profit/(loss) on ordinary activities	3	(6)	-
RETAINED PROFIT/(LOSS) FOR THE FINANCIAL YEAR		3,141	(17,021)
Balance brought forward		<u>67,921</u>	<u>84,942</u>
Balance carried forward		<u>71,062</u>	<u>67,921</u>

The notes on pages 5 to 7 form part of these financial statements.

NEWTON LEISURE (SCOTLAND) LTD

BALANCE SHEET

31ST DECEMBER 2001

	Note	2001 £	2000 £
FIXED ASSETS			
Intangible assets	4	10,475	11,526
Tangible assets	5	68,124	85,463
		<u>78,599</u>	<u>96,989</u>
CURRENT ASSETS			
Debtors	6	6,905	2,955
Cash in hand		116	554
		<u>7,021</u>	<u>3,509</u>
CREDITORS: Amounts falling due within one year	7	<u>(13,558)</u>	<u>(31,577)</u>
NET CURRENT LIABILITIES		<u>(6,537)</u>	<u>(28,068)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>72,062</u>	<u>68,921</u>

The balance sheet continues on the following page.
The notes on pages 5 to 7 form part of these financial statements.

NEWTON LEISURE (SCOTLAND) LTD

BALANCE SHEET *(continued)*

31ST DECEMBER 2001

	Note	2001 £	2000 £
CAPITAL AND RESERVES			
Called-up equity share capital	9	1,000	1,000
Profit and Loss Account		71,062	67,921
SHAREHOLDERS' FUNDS		<u>72,062</u>	<u>68,921</u>

The directors are 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 directors acknowledge their responsibilities 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 March 2000).

These financial statements were approved by the directors on the, and are signed on their behalf by:


MR J NEWTON


MRS A NEWTON

NEWTON LEISURE (SCOTLAND) LTD
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2001

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 March 2000).

Turnover

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

Amortisation

Amortisation 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:

Goodwill 5% Straight Line

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	20% Reducing Balance
Fixtures & Fittings	15% Reducing Balance
Motor Vehicles	25% Reducing Balance
Office Equipment	25% Reducing Balance

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.

2. OPERATING PROFIT/(LOSS)

Operating profit/(loss) is stated after charging:

	2001	2000
	£	£
Directors' emoluments	16,476	19,832
Staff pension contributions	960	800
Amortisation	1,051	1,051
Depreciation	16,671	21,310
Loss on disposal of fixed assets	10,138	21,297

NEWTON LEISURE (SCOTLAND) LTD
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2001

3. TAX ON PROFIT OR LOSS ON ORDINARY ACTIVITIES

	2001 £	2000 £
Corporation Tax based on the results for the year at 10% (2000 - 10%)	<u>6</u>	<u>-</u>

4. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1st January 2001 and 31st December 2001	<u>21,023</u>
AMORTISATION	
At 1st January 2001	9,497
Charge for the year	<u>1,051</u>
At 31st December 2001	<u>10,548</u>
NET BOOK VALUE	
At 31st December 2001	<u>10,475</u>
At 31st December 2000	<u>11,526</u>

5. TANGIBLE FIXED ASSETS

	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Equipment £	Total £
COST					
At 1 January 2001	244,906	26,902	11,650	2,000	285,458
Additions	46,243	-	-	1,600	47,843
Disposals	(67,023)	-	(9,950)	-	(76,973)
At 31 December 2001	<u>224,126</u>	<u>26,902</u>	<u>1,700</u>	<u>3,600</u>	<u>256,328</u>
DEPRECIATION					
At 1 January 2001	176,638	17,423	4,778	1,156	199,995
Charge for the year	14,319	1,422	319	611	16,671
On disposals	(24,109)	-	(4,353)	-	(28,462)
At 31 December 2001	<u>166,848</u>	<u>18,845</u>	<u>744</u>	<u>1,767</u>	<u>188,204</u>
NET BOOK VALUE					
At 31 December 2001	<u>57,278</u>	<u>8,057</u>	<u>956</u>	<u>1,833</u>	<u>68,124</u>
At 31 December 2000	<u>68,268</u>	<u>9,479</u>	<u>6,872</u>	<u>844</u>	<u>85,463</u>

NEWTON LEISURE (SCOTLAND) LTD
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2001

6. DEBTORS

	2001	2000
	£	£
Other debtors	455	455
Prepayments and accrued income	6,450	2,500
	<u>6,905</u>	<u>2,955</u>

7. CREDITORS: Amounts falling due within one year

	2001	2000
	£	£
Bank loans and overdrafts	2,218	2,548
Trade creditors	3,402	11,531
Other creditors including:		
Corporation Tax	6	-
PAYE and social security	598	2,901
VAT	4,746	5,607
Directors current accounts	<u>38</u>	<u>38</u>
	5,388	8,546
Accruals and deferred income	2,550	8,952
	<u>13,558</u>	<u>31,577</u>

8. RELATED PARTY TRANSACTIONS

The company was under the control of Mr J Newton throughout the current and previous year. Mr Newton is the managing director and majority shareholder.

The amount outstanding to directors decreased from to £38 during the year.

9. SHARE CAPITAL**Authorised share capital:**

	2001	2000
	£	£
100,000 Ordinary shares of £1.00 each	<u>100,000</u>	<u>100,000</u>

Allotted, called up and fully paid:

	2001	2000
	£	£
Ordinary share capital	<u>1,000</u>	<u>1,000</u>

NEWTON LEISURE (SCOTLAND) LTD

DETAILED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31ST DECEMBER 2001

	2001	2000
	£	£
TURNOVER		
Sales	136,332	133,439
Rents Received	18,799	18,802
	<u>155,131</u>	<u>152,241</u>
OVERHEADS		
Freight and carriage	712	230
Directors salaries	16,476	19,832
Directors pensions	-	84
Wages and salaries	11,077	15,545
Staff NIC	1,119	1,616
Staff pension contributions	960	800
Rent Rates and Insurance	46,316	42,494
Vending Machine Purchases	3,757	1,452
Licences and Duties	18,426	17,081
Prizes	3,000	4,560
Light and heat	1,641	2,740
Motor and Travel Expenses	7,063	3,455
Repairs & Renewals - Machines	588	2,770
Telephone	1,172	1,185
Repairs & Renewals - Buildings	4,763	5,493
Stationery and postage	47	90
Cleaning	631	719
Sundry expenses	375	610
Advertising	1,057	149
Legal and professional fees	2,446	1,704
Accountancy fees	1,950	1,900
Amortisation	1,051	1,051
Depreciation	16,671	21,310
Loss on disposal of fixed assets	10,138	21,297
Bank charges	604	964
	<u>(152,040)</u>	<u>(169,131)</u>
OPERATING PROFIT/(LOSS)	3,091	(16,890)
Bank interest receivable	56	-
	<u>3,147</u>	<u>(16,890)</u>
HP/Finance lease charges	-	(131)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES	<u>3,147</u>	<u>(17,021)</u>