

**ST. ANNES PALACE LIMITED**

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**FINANCIAL STATEMENTS**

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**FOR THE YEAR ENDED 30<sup>TH</sup> APRIL, 2001**

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**(Registered in England No. 577363)**

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# ST. ANNES PALACE LIMITED

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## DIRECTORS' REPORT

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The Directors submit their Report and Financial Statements for the year ended 30<sup>th</sup> April, 2001.

### RESULTS AND DIVIDENDS

The trading profit for the year, after taxation, amounted to £34,947 (2000:- £31,817). The Directors recommend the payment of a final ordinary dividend of £12,500 (2000:- £12,500) and that the retained profit of £22,447 be transferred to Reserves (2000:- £19,317).

### REVIEW OF THE BUSINESS

The Company's principal activities during the year were, and continue to be, the maintaining and leasing of the Company's premises in Garden Street, St. Annes-on-Sea.

### MARKET VALUE OF LAND AND BUILDINGS

The Directors consider that the market value of Land and Buildings remains well in excess of the book value of £212,693.

### DIRECTORS AND THEIR INTERESTS

The Directors who served during the year and their beneficial interests in the Share Capital of the Company were as follows:-

	<u>Shareholdings</u>	
	<u>At 30<sup>th</sup> April, 2001</u>	<u>At 30<sup>th</sup> April, 2000</u>
E. Bingham	-	-
B. Anderton	-	-
J.E. Ogden	-	-
B. Drazen	-	-
J. Wheatley	-	-
J.A. Hayfield	-	-
C.D. Rigby	-	-
D. Randerson	-	-
J.S. Thornber	-	-
A.P. Berry	-	-
G. Cummins	-	-
A.J. Clarke	-	-
A.T. Page	-	-
J. A. Aldous	-	-
D. Partington	-	-
A. J. Powney	-	-
D. Headley	-	-
K. Hickson	-	-
C. N. Gilroy	-	-

In accordance with the Articles of Association the Directors due to retire by rotation are Messrs. A. P. Berry, G. Cummins, C. N. Gilroy, J. E. Ogden, A. J. Powney and J. Wheatley. All being eligible, offer themselves for re-election.

**ST. ANNES PALACE LIMITED**

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**DIRECTORS REPORT (CONTINUED)**

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**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 and of the profit or loss of the Company 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;
- 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.

**AUDITORS**

In accordance with Section 385 of the Companies Act 1985, a resolution proposing the re-appointment of Messrs. Edward Bridge and Co., Chartered Accountants, as Auditors of the Company will be put to the Annual General Meeting.

**SMALL COMPANY DISCLOSURE**

The above report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Finally your Board wishes to express its appreciation and offers its sincere thanks to all the Honorary Officials and advisers who have given their services in assisting the administration of the Company.

**BY ORDER OF THE BOARD**

.....*J. A. Aldous*.....**SECRETARY**  
(J.A. ALDOUS)

11th October, 2001.

## AUDITORS' REPORT

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### TO THE MEMBERS OF ST. ANNES PALACE LIMITED

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We have audited the Financial Statements on pages 5 to 10 which have been prepared in accordance with the financial Reporting Standard for Smaller Entities (effective March 2000) under the Historical Cost Convention and the accounting policies set out on page 7.

#### RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS

As described on page 3, the Company's Directors are responsible for the preparation of 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.

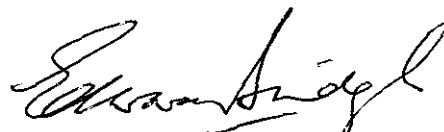
#### BASIS OF OPINION

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 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 at 30<sup>th</sup> April, 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



EDWARD BRIDGE AND CO.

CHARTERED ACCOUNTANTS

AND REGISTERED AUDITORS

205/207, Church Street,  
Blackpool. FY1 3PA.

11<sup>th</sup> October 2001

**ST. ANNES PALACE LIMITED**

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**PROFIT AND LOSS ACCOUNT**

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**FOR THE YEAR ENDED 30<sup>TH</sup> APRIL, 2001**

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	<u>Notes</u>	<u>2001</u> £	<u>2000</u> £
<u>TURNOVER</u>	2	93665	94792
<u>ADMINISTRATIVE EXPENSES</u>		(51628)	(54226)
<u>OPERATING PROFIT</u>	3	42037	40566
<u>INTEREST RECEIVABLE</u>		1481	583
<u>INTEREST PAYABLE</u>	4	-	(40)
<u>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</u>		43518	41109
<u>TAX ON PROFIT ON ORDINARY ACTIVITIES</u>	5	(8571)	(9292)
<u>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</u>		34947	31817
<u>DIVIDENDS</u>	6	(12500)	(12500)
<u>RETAINED PROFIT FOR THE YEAR</u>		22447	19317
<u>RETAINED PROFIT BROUGHT FORWARD</u>		173162	153845
<u>RETAINED PROFIT CARRIED FORWARD</u>		£195609	£173162

The notes on pages 7 to 10 form part of these Financial Statements.

**ST. ANNES PALACE LIMITED**

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**BALANCE SHEET**

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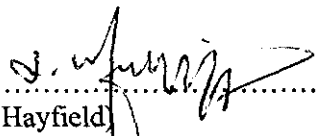
**AS AT 30<sup>TH</sup> APRIL, 2001**

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	<u>Note</u>	<u>2001</u>	<u>2000</u>
		£	£
<b><u>FIXED ASSETS</u></b>			
Tangible Assets	7	218100	218231
<b><u>CURRENT ASSETS</u></b>			
Debtors and Prepayments	8	38373	32409
Cash at Bank and in hand		44703	34281
		83076	66690
<b><u>CREDITORS: Amounts falling due within one year</u></b>	9	(58692)	(64884)
<b><u>NET CURRENT ASSETS</u></b>		24384	1806
<b><u>TOTAL ASSETS LESS CURRENT LIABILITIES</u></b>		242484	220037
<b><u>CREDITORS: Amounts falling due after more than one year</u></b>		-	-
		£242484	£220037
<b><u>CAPITAL AND RESERVES</u></b>			
Called Up Share Capital	10	46875	46875
Profit and Loss Account		195609	173162
Shareholders' Funds		£242484	£220037

The Financial Statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and the Financial Reporting Standard for Smaller Entities (effective March 2000).

**APPROVED BY THE BOARD**

..........**DIRECTOR**  
(J.A. Hayfield)

11th October, 2001.

The notes on pages 7 to 10 form part of these Financial Statements.

ST. ANNES PALACE LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

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FOR THE YEAR ENDED 30<sup>TH</sup> APRIL, 2001

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1. ACCOUNTING POLICIES

a) Accounting Convention

The Financial Statements have been prepared in accordance with the Historical Cost Convention and incorporate the results of the principal activity which is described in the Directors' Report and which is continuing.

b) Depreciation

Depreciation has not been provided on all of the Company's Fixed Assets. This is contrary to Financial Reporting Standard No. 15 and the provisions of the Companies Act 1985. Depreciation is provided on kitchen equipment at a rate of 10% of cost per annum and on linen and cutlery at 25% of cost per annum.

c) Deferred Taxation

Deferred Taxation is provided on the liability method to the extent that the Directors consider that a liability will arise in the foreseeable future. There is currently no potential Deferred Taxation liability and consequently no provision has been made in the Financial Statements.

d) Cash Flow

The Company qualifies as a small Company under Sections 246 to 249 of the Companies Act 1985 and is therefore exempt from preparing a cash flow statement in accordance with Financial Reporting Standard No. 1.

2. TURNOVER

This represents gross rents receivable and other income amounting to £93,665 (2000: £94,792), and is wholly attributable to the principal activity of the Company.

3. OPERATING PROFIT

This is stated after charging:-

	<u>2001</u>	<u>2000</u>
	£	£
Directors' Remuneration	-	-
Auditors' Remuneration	1248	1248
Depreciation	131	390
	====	====

4. INTEREST PAYABLE

	<u>2001</u>	<u>2000</u>
	£	£
Bank Commercial Mortgage	-	40
	====	====

**ST. ANNES PALACE LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

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**FOR THE YEAR ENDED 30<sup>TH</sup> APRIL, 2001**

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**5. TAX ON PROFIT ON ORDINARY ACTIVITIES**

	<u>2001</u>	<u>2000</u>
	£	£
Corporation Tax	8571	9292
	=====	=====

**6. DIVIDEND**

	<u>2001</u>	<u>2000</u>
	£	£
Final – proposed	12500	12500
	=====	=====

**7. TANGIBLE FIXED ASSETS**

	<u>Leasehold Land and Buildings</u>	<u>Fixtures and Fittings</u>	<u>Kitchen Equipment</u>	<u>Linen, Cutlery etc</u>	<u>Total</u>
	£	£	£	£	£
<b><u>COST</u></b>					
At 1 <sup>st</sup> May, 2000	212693	13238	7194	1561	234686
Additions	-	-	-	-	-
At 30 <sup>th</sup> April, 2001	212693	13238	7194	1561	234686
	=====	=====	=====	=====	=====

**DEPRECIATION**

At 1 <sup>st</sup> May, 2000	-	7831	7194	1430	16455
Provided during year	-	-	-	131	131
At 30 <sup>th</sup> April, 2001	-	7831	7194	1561	16586
	=====	=====	=====	=====	=====

**NET BOOK VALUE**

At 30 <sup>th</sup> April, 2001	212693	5407	-	-	218100
At 30 <sup>th</sup> April, 2000	212693	5407	-	131	218231
	=====	=====	=====	=====	=====

The Market Value of the Leasehold Land and Buildings is currently well in excess of the net book value of £212,693. Accordingly, the Directors do not consider it appropriate to depreciate this asset, as referred to in note 1 b) above. The Leasehold Land and Buildings are owned on a 999 year lease.



# ST. ANNES PALACE LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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FOR THE YEAR ENDED 30<sup>TH</sup> APRIL, 2001

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### 8. DEBTORS

	<u>2001</u>	<u>2000</u>
	£	£
Trade Debtors and Prepayments	38373	32409
	=====	=====

All debtors are due within one year (2000: All).

### 9. CREDITORS:- Amounts falling due within one year

	<u>2001</u>	<u>2000</u>
	£	£
Trade Creditors	29480	40161
Accruals and Deferred Income	7865	2615
Corporation Tax	8571	9292
Other Taxes and Social Security	68	66
Other Creditors	208	250
Proposed Dividend	12500	12500
	-----	-----
	58692	64884
	=====	=====

### 10. SHARE CAPITAL

	<u>2001</u>	<u>2000</u>
	No.	No.
<u>Authorised</u>		
£1 Ordinary shares	100000	100000
£1 Convertible 'A' shares	50000	50000
	-----	-----
	150000	150000
	=====	=====
 <u>Allotted, called up and fully paid</u>		
	£	£
£1 Ordinary shares	40125	40125
£1 Convertible 'A' shares	6750	6750
	-----	-----
	46875	46875
	=====	=====

'A' shares rank pari passu with Ordinary Shares for both voting and dividend purposes. These shares are convertible to Ordinary Shares at the option of the holder ten years after their date of issue. The conversion of 5250 'A' shares has been authorised by the Board and this is to proceed in the near future. A further 750 'A' shares are convertible during 2005 and 750 'A' shares are convertible during 2008.

**ST. ANNES PALACE LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

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**FOR THE YEAR ENDED 30<sup>TH</sup> APRIL, 2001**

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**11. CAPITAL COMMITMENTS**

The Company had no capital commitments at 30<sup>th</sup> April, 2001 (2000: £Nil).

**12. CONTINGENT LIABILITIES**

The Company had no contingent liabilities at 30<sup>th</sup> April, 2001 (2000: £Nil).

**13. RELATED PARTY TRANSACTIONS**

The Company is fully owned by the local Masonic Lodges which use the premises.

During the year, the Company was involved in contracts amounting to £11,175 with Newfield Construction Ltd, a company in which Mr. J.A. Hayfield is a Director. These relate to repair and maintenance work and services carried out at the Company's premises. All such work is carried out on an arms-length basis.

There were no other party transactions during the year.