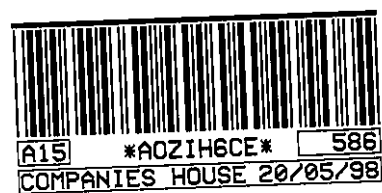


M.Y. LEISURE LIMITED

ANNUAL REPORT AND ACCOUNTS

31ST OCTOBER 1997



**M.Y. LEISURE LIMITED**  
**ANNUAL REPORT AND ACCOUNTS**  
**31ST OCTOBER 1997**

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**M.Y. LEISURE LIMITED**

**COMPANY INFORMATION**

**DIRECTOR:**

Mrs S.J. Young

**SECRETARY:**

Mrs J. Summerton

**REGISTERED OFFICE:**

Aden Chambers,  
South Crescent  
Llandrindod Wells,  
Powys.

**REGISTERED NUMBER:**

2714692

M. Y. LEISURE LIMITED

REPORT OF THE DIRECTOR

The director presents her annual report with the accounts of the company for the year ended 31st October 1997.

PRINCIPAL ACTIVITY

The principal activity of the company is the sale of leisure and outdoor clothing and equipment.

DIRECTOR

The director in office in the year and her beneficial interests in the company's issued ordinary share capital were as follows:

	Ordinary Shares of £1 each	
	31.10.97	31.10.96
Mrs S.J. Young	9000	9000

This report, which has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, was approved by the board on .....11<sup>th</sup> May 1998..... and signed on its behalf.

Mrs J Summerton



M.Y. LEISURE LIMITED

ACCOUNTANTS REPORT ON THE UNAUDITED ACCOUNTS TO THE  
DIRECTOR OF M Y LEISURE LTD

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31st October 1997 set out on pages 4 to 11 and you consider that the company is exempt from an audit and a report under Section 249A (2) of the Companies Act 1985. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

12<sup>th</sup> May 1998

Aden Chambers  
South Crescent  
Llandrindod Wells  
Powys LD1 5DH

Moore Scott & Co

Moore Scott & Co  
Reporting Accountants

**M.Y. LEISURE LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31ST OCTOBER 1997**

		1997	1996
	Note	£	£
<b>TURNOVER</b>		224,030	188,249
Cost of Sales		(158,279)	(135,675)
<b>GROSS PROFIT</b>		65,751	52,574
Administrative Expenses		(49,756)	(40,457)
<b>OPERATING PROFIT</b>		15,995	12,117
Interest Receivable		368	-
Interest Payable	3.	( 6,314)	( 1,699)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		10,049	10,418
Taxation	4.	(2,975)	(1,882)
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		7,074	8,536
<b>RETAINED PROFIT FOR THE FINANCIAL YEAR</b>		7,074	8,536
<b>RETAINED PROFIT at 1st November 1996</b>		22,068	13,532
<b>RETAINED PROFIT at 31st October 1997</b>		29,142	22,068

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the above two financial years.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the profit for the above two financial years.

**NOTE OF HISTORICAL COST PROFIT AND LOSSES**

There is no difference between the results as disclosed in the profit and loss account and the result on an unmodified historical cost basis.

**M.Y. LEISURE LIMITED**  
**BALANCE SHEET - 31ST OCTOBER 1997**

		1997	1996
		£	£
<b>FIXED ASSETS</b>	<b>Note</b>		
Tangible Assets	5.	112,075	29,983
 <b>CURRENT ASSETS</b>			
Stocks	6.	98,402	76,104
Debtors	7.	8,639	2,780
Cash at Bank and In Hand		5,905	574
		<hr/>	<hr/>
		112,946	79,458
<b>CREDITORS: Amounts falling due</b>			
<b>within one year</b>	8.	(55,480)	(48,143)
 <b>NET CURRENT ASSETS</b>		<hr/>	<hr/>
		57,466	31,315
 <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<hr/>	<hr/>
		169,541	61,298
 <b>CREDITORS: Amounts falling due</b>			
<b>after one year</b>	9.	(84,898)	(14,229)
 <b>DEFERRED INCOME</b>			
Capital Grant	11.	(14,500)	-
		<hr/>	<hr/>
		70,143	47,069
 <b>CAPITAL AND RESERVES</b>			
Called up Share Capital	12.	27,001	19,001
Share Premium Account	13.	14,000	6,000
Profit and Loss Account		29,142	22,068
		<hr/>	<hr/>
	14.	70,143	47,069
		<hr/>	<hr/>

M.Y. LEISURE LIMITED

BALANCE SHEET - 31ST OCTOBER 1997 (CONTINUED)

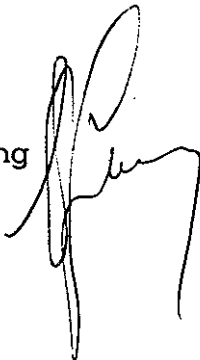
The director considers that the company is entitled to exemption from the requirement to have an audit under provisions of section 249A(2) of the Companies Act 1985.

Shareholders holding 10% or more of the company's share capital have not issued a notice requiring an audit under section 249(B)(2) of the Companies Act 1985.

The director acknowledges her responsibilities for ensuring that the company keeps accounting records which comply with S221 of the Companies Act 1985, and for preparing accounts 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 for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to Accounts, so far as applicable to the company.

The financial statements, which have been prepared in accordance with special provisions of Part VII of the Companies Act 1985 applicable to small companies, were approved by the board on 11th May 1998 and signed on its behalf.

Mrs S J Young  
Director





# **M.Y. LEISURE LIMITED**

## **NOTES TO THE ACCOUNTS YEAR ENDED 31ST OCTOBER 1997**

### **1) ACCOUNTING POLICIES**

#### **Basis of Accounting**

The accounts have been prepared under the historical cost convention.

#### **Cash Flow**

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 "Cash Flow statements".

#### **Turnover**

Turnover represents net invoiced sales of goods, excluding VAT.

#### **Tangible Fixed Assets**

Depreciation is provided, at rates calculated to write off the cost of fixed assets less their estimated residual value, over their expected useful lives on the following basis:

Plant and Machinery	-	25% on Written Down Value
Fixtures and Fittings	-	25% on Written Down Value
Office Equipment	-	25% on Written Down Value
Motor Vehicles	-	25% on Written Down Value
Depreciating Property		
Improvements	-	10% on Cost

It is the policy of the company to maintain the freehold property in such condition that the value to the business of the property is not impaired by the passage of time. Such expenditure is charged to the profit and loss account in the period it is incurred.

#### **Stocks**

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

#### **Deferred Taxation**

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the director, there is reasonable probability that the liability will not arise in the foreseeable future.

# M Y LEISURE LIMITED

## NOTES TO THE ACCOUNTS YEAR ENDED 31ST OCTOBER 1997 (CONTINUED)

### Operating Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profit as incurred.

### Leasing and Hire Purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2)	OPERATING PROFIT	1997	1996
		£	£

Operating profit is stated after charging:

Depreciation of tangible fixed assets

Owned by the company	2,216	2,893
Held under Finance Leases	7,813	451
Operating lease charges	-	78
Directors emoluments	1,612	-

### 3) INTEREST PAYABLE

Included in interest payable is interest of finance leases and hire purchase contracts of £1,860.

### 4) TAXATION

	1997	1996
	£	£
UK Current Year Taxation	2,678	1,882
Under Provision in Previous Year	297	-
	<hr/> 2,975	<hr/> 1,882

M Y LEISURE LIMITED

NOTES TO THE ACCOUNTS  
YEAR ENDED 31ST OCTOBER 1997  
(CONTINUED)

5) TANGIBLE FIXED ASSETS

	Freehold Property	Improvements to Property	Plant, Machinery & Equipt	Motor Vehicles	Total
	£	£	£	£	£
<b>Cost:</b>					
As at 31st October					
1996	267	5,996	6,714	21,561	34,538
Additions	62,331	15,146	4,504	10,140	92,121
Disposals	-	-	( 200)	-	( 200)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31.10.97	62,598	21,142	11,018	31,701	126,459
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>					
As at 31st October					
1996	-	300	3,804	451	4,555
Charge for year	-	363	1,854	7,812	10,029
Disposals	-	-	( 200)	-	( 200)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31.10.97	-	663	5,458	8,263	14,384
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net Book Value</b>					
At 31st October					
1997	62,598	20,479	5,560	23,438	112,075
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31.10.96	267	5,696	2,910	21,110	29,983
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The Net Book Value of Assets held under hire purchase agreements was £23,437 (1996 - £21,110).

**M.Y. LEISURE LIMITED**  
**NOTES TO THE ACCOUNTS**  
**YEAR ENDED 31ST OCTOBER 1997**  
**(CONTINUED)**

6)	<b>STOCKS</b>	<b>1997</b>	<b>1996</b>
		£	£
	Goods for resale	98,402	76,104
		<u>98,402</u>	<u>76,104</u>
7)	<b>DEBTORS DUE WITHIN ONE YEAR</b>	<b>1997</b>	<b>1996</b>
		£	£
	Debtors	340	-
	Compensation Payment	5,000	-
	Prepayments	3,299	2,780
		<u>8,639</u>	<u>2,780</u>
8)	<b>CREDITORS: Amounts falling due within one year</b>	<b>1997</b>	<b>1996</b>
		£	£
	Bank Loans and Overdraft	8,256	848
	Trade Creditors	39,256	36,912
	Corporation Tax	2,678	1,882
	Taxation and Social Security	409	6,620
	Accruals and Deferred Income	1,868	1,520
	Directors Loan	2	111
	Hire Purchase (See Note 10)	3,011	250
		<u>55,480</u>	<u>48,143</u>
9)	<b>CREDITORS: Amounts falling due after one year</b>	<b>1997</b>	<b>1996</b>
		£	£
	Bank Loan	37,756	-
	Hire Purchase (See Note 10)	18,142	14,229
	Other Loan	29,000	-
		<u>84,898</u>	<u>14,229</u>
10)	<b>OBLIGATIONS UNDER FINANCE LEASES AND HIRE PURCHASE CONTRACTS</b>		
	<b>THE MATURITY OF THESE AMOUNTS IS AS FOLLOWS:-</b>		
		<b>1997</b>	<b>1996</b>
		£	£
	<b>Amounts Payable</b>		
	Within One Year	5,174	1,832
	Within 2 to 5 Years	18,762	15,520
		<u>23,936</u>	<u>17,352</u>
	Less Finance Charges allocated to Future Periods	2,783	2,873
		<u>21,153</u>	<u>14,479</u>
	Finance Leases and Hire Purchase Contracts are analysed as follows:		
		<b>1997</b>	<b>1996</b>
		£	£
	Current Obligations	3,011	250
	Non-Current Obligations	18,142	14,229
		<u>21,153</u>	<u>14,479</u>

**M Y LEISURE LIMITED**

**NOTES TO THE ACCOUNTS  
YEAR ENDED 31ST OCTOBER 1997  
(CONTINUED)**

**11) DEFERRED INCOME**

On the 31st March 1997 £14,500 was received from Powys County Council as a DRIVE grant under the Local Government and Housing Act 1989. This capital grant is repayable within three years if certain criteria are not met.

<b>12) CALLED UP SHARE CAPITAL</b>	<b>1997</b>	<b>1996</b>
	<b>£</b>	<b>£</b>
Authorised 50,000 Ordinary shares of £1 each	<b>50,000</b>	<b>50,000</b>
Issued and Fully Paid Ordinary Shares of £1 each	<b>27,001</b>	<b>19,001</b>

On 30th December 1996 8,000 shares of £1 each were issued for cash at £2 per share.

<b>13) SHARE PREMIUM ACCOUNT</b>	<b>1997</b>	<b>1996</b>
	<b>£</b>	<b>£</b>
Balance at 1.11.96	6,000	-
Arising on shares issued during the Year	8,000	6,000
<b>Balance at 31.10.97</b>	<b>14,000</b>	<b>6,000</b>

**14) RECONCILIATION OF MOVEMENTS ON SHAREHOLDERS' FUNDS**

	<b>1997</b>	<b>1996</b>
	<b>£</b>	<b>£</b>
Profit for the financial year after Taxation	7,074	8,536
New share capital subscribed	16,000	12,000
<b>Additions during the Year</b>	<b>23,074</b>	<b>20,536</b>
Opening Shareholders' funds at 1.11.96	47,069	26,533
<b>Closing Shareholders' funds at 31.10.97</b>	<b>70,143</b>	<b>47,069</b>