

M.Y. LEISURE LIMITED
ANNUAL REPORT AND ACCOUNTS
31ST OCTOBER 1996



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M.Y. LEISURE LIMITED

COMPANY INFORMATION

DIRECTORS:

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 DIRECTORS

The directors present their annual report with the accounts of the company for the year ended 31st October 1996.

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	
	31.10.96	31.10.95
Mrs S.J. Young	9000	9000

DIRECTORS' RESPONSIBILITIES

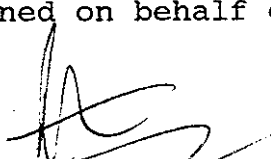
Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those accounts, the directors are required to:

- . select suitable accounting policies and then apply them consistently;
- . make judgements and estimates that are reasonable and prudent;
- . follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
- . prepare the accounts 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 accounts 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.

In preparing the above report, the directors have taken advantage of special exemptions applicable to small companies provided by Part II of Schedule 8 of the Companies Act 1985.

Signed on behalf of the Board of Directors


Mrs J. Summerton
Secretary

Approved by the board on: 17/3/97

M.Y. LEISURE LIMITED

**ACCOUNTANTS REPORT TO THE SHAREHOLDERS ON THE
UNAUDITED ACCOUNTS OF M.Y. LEISURE LIMITED**

We report on the accounts for the year ended 31 October 1996 set out on pages 4 to 10.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND REPORTING ACCOUNTANT

As described on page 2, the company's directors are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

BASIS OF OPINION

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

OPINION

In our opinion:

- (a) the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985;
- (b) having regard only to, and on the basis of, the information contained in those accounting records;
 - (i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act, and
 - (ii) the company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).

Aden Chambers
South Crescent
Llandrindod Wells
Powys. LD1 5DH

17th March 1997

Moore Scott & Co
Moore Scott & Co
Reporting Accountants

M.Y. LEISURE LIMITED

**PROFIT AND LOSS ACCOUNT
YEAR ENDED 31ST OCTOBER 1996**

		1996	1995
	Note	£	£
TURNOVER	1.	188,249	89,888
Cost of Sales		(135,675)	(59,451)
GROSS PROFIT		52,574	30,437
Administrative Expenses		(42,156)	(24,341)
OPERATING PROFIT	2.	10,418	6,096
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		10,418	6,096
Taxation		(1,882)	(1,132)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		8,536	4,964
RETAINED PROFIT FOR THE FINANCIAL YEAR		8,536	4,964
RETAINED PROFIT at 1st November 1995		13,532	8,568
RETAINED PROFIT at 31st October 1996		22,068	13,532

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 or loss 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 1996

		1996	1995
	Note	£	£
FIXED ASSETS			
Tangible Assets	3.	29,983	9,694
		<u>29,983</u>	<u>9,694</u>
CURRENT ASSETS			
Stocks	4.	76,104	57,119
Debtors	5.	2,780	1,322
Cash at Bank and In Hand		574	50
		<u>79,458</u>	<u>58,491</u>
CREDITORS: Amounts falling due within one year	6.	(48,143)	(41,652)
NET CURRENT ASSETS		<u>31,315</u>	<u>16,839</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		61,298	26,533
CREDITORS: Amounts falling due after one year	7.	(14,229)	-
		<u>47,069</u>	<u>26,533</u>
CAPITAL AND RESERVES			
Called up Share Capital	8.	19,001	13,001
Share Premium Account	9.	6,000	-
Profit and Loss Account		22,068	13,532
	10.	<u>47,069</u>	<u>26,533</u>

(Continued overleaf)

M.Y. LEISURE LIMITED

BALANCE SHEET - 31ST OCTOBER 1996 (CONTINUED)

The company was entitled to the exemption conferred by subsection (2) section 249A of the Companies Act 1985.

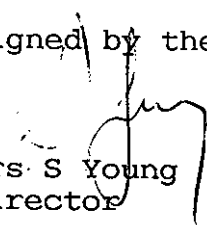
No notice has been deposited under subsection (2) of Section 249B in relation to its accounts for the financial year.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps accounting records which comply with S221 of the Companies Act 1985; and
- (ii) 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 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 Accounts, so far as applicable to the company.

The directors have taken advantage of special exemptions conferred by Part I of Schedule 8 to the Companies Act 1985 applicable to small companies in the preparation of the accounts and have done so on the grounds that, in their opinion the company qualifies as a small company.

Signed by the director on 17/3/97


Mrs S Young
Director

M.Y. LEISURE LIMITED
NOTES TO THE ACCOUNTS
YEAR ENDED 31ST OCTOBER 1996

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, after taking account of any grants receivable, at the following annual rates in order to write off each asset over its estimated useful life:

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
Property Improvements	-	10% on Cost

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 directors, there is reasonable probability that the liability will not arise in the foreseeable future.

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.

M.Y. LEISURE LIMITED

NOTES TO THE ACCOUNTS
YEAR ENDED 31ST OCTOBER 1996
(CONTINUED)

2)	OPERATING PROFIT	1996	1995
		£	£
	Operating profit is stated after charging:		
	Depreciation of tangible fixed assets	3,344	1,065
	Operating lease charges	78	936
		<hr/>	<hr/>

3) TANGIBLE FIXED ASSETS

	Freehold Property	Improvements to Property	Plant, Machinery & Equipt	Motor Vehicles	Total
	£	£	£	£	£
Cost:					
As at 31st October 1995	-	-	12,530	-	12,530
Additions	267	5,996	684	21,561	28,508
Disposals	-	-	(6,500)	-	(6,500)
At 31.10.96	<hr/> 267 <hr/>	<hr/> 5,996 <hr/>	<hr/> 6,714 <hr/>	<hr/> 21,561 <hr/>	<hr/> 34,538 <hr/>
Depreciation					
As at 31st October 1995	-	-	2,836	-	2,836
Charge for year	-	300	2,593	451	3,344
Disposals	-	-	(1,625)	-	(1,625)
At 31.10.96	<hr/> - <hr/>	<hr/> 300 <hr/>	<hr/> 3,804 <hr/>	<hr/> 451 <hr/>	<hr/> 4,555 <hr/>
Net Book Value					
At 31st October 1996	267	5,696	2,910	21,110	29,983
At 31.10.95	<hr/> - <hr/>	<hr/> - <hr/>	<hr/> 9,694 <hr/>	<hr/> - <hr/>	<hr/> 9,694 <hr/>

The Net Book Value of Assets held under hire purchase agreements was £21,110. Depreciation charged in respect of these assets was £451.

M.Y. LEISURE LIMITED

NOTES TO THE ACCOUNTS
YEAR ENDED 31ST OCTOBER 1996
(CONTINUED)

4)	STOCKS	1996 £	1995 £
	Goods for resale	76,104	57,119
		<u>76,104</u>	<u>57,119</u>
5)	DEBTORS	1996 £	1995 £
	Prepayments	2,780	1,332
		<u>2,780</u>	<u>1,332</u>
6)	CREDITORS: Amounts falling due within one year	1996 £	1995 £
	Bank Overdraft	848	2,690
	Trade Creditors	36,912	35,358
	Corporation Tax	1,882	1,132
	Taxation and social security	6,620	547
	Accruals and Deferred Income	1,520	1,085
	Directors Loan	111	840
	Hire Purchase	250	-
		<u>48,143</u>	<u>41,652</u>
7)	CREDITORS: Amounts falling due after one year	1996 £	1995 £
	Hire Purchase	14,229	-
8)	CALLED UP SHARE CAPITAL	1996 £	1995 £
	Authorised 1,000 Ordinary shares of £1 each	50,000	1,000
	Issued and Fully Paid Ordinary Shares of £1 each	<u>19,001</u>	<u>13,001</u>

On 1st February 1996, £6,000 shares of £1 each were issued at £2 per share for cash.

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

M.Y. LEISURE LIMITED

NOTES TO THE ACCOUNTS
YEAR ENDED 31ST OCTOBER 1996
(CONTINUED)

9) SHARE PREMIUM ACCOUNT

	1996 £	1995 £
Issue 1 February 1996	6,000	-

10) RECONCILIATION OF MOVEMENTS ON SHAREHOLDERS' FUNDS

	1996 £	1995 £
Profit for the financial year after Taxation	8,536	4,964
New share capital subscribed	12,000	12,901
	20,536	17,865
Opening Shareholders' funds at 1st November 1995	26,533	8,668
Closing shareholders' funds at 31st October 1996	47,069	26,533

11) CAPITAL COMMITMENTS

Authorised and contracted for

	1996 £	1997 £
Freehold Property	71,500	-