

M. Y. LEISURE LIMITED
DIRECTOR'S REPORT AND ACCOUNTS
FOR THE YEAR ENDED
31ST OCTOBER 1998

Company No. 2714692



M. Y. LEISURE LIMITED

COMPANY INFORMATION

Director	Mrs S.J. Young
Secretary	Mrs J. Summerton
Company Number	2714692
Registered Office	Aden Chambers South Crescent Llandrindod Wells Powys LD1 5DH
Reporting Accountants	Moore Scott & Co Aden Chambers South Crescent Llandrindod Wells Powys LD1 5DH
Bankers	Lloyds Bank Plc Middleton Street Llandrindod Wells Powys

M. Y. LEISURE LIMITED

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M. Y. LEISURE LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31ST OCTOBER 1998

The director presents her report together with the accounts for the year ended 31st October 1998.

Principal Activities

The company's principal activity continued to be that of the sale of leisure and outdoor clothing and equipment.

Director

The director who served during the year and her beneficial interest in the company's issued share capital was:

	Ordinary Shares	
	31st	1st
	October	November
	1998	1997
Mrs S.J. Young	9,000	9,000

Director's Responsibilities

Company law requires the director to prepare accounts 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 accounts the director is required to:

Select suitable accounting policies and then apply them consistently;

Make judgements and estimates that are reasonable and prudent;

Prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the company and enable her to ensure that the accounts comply with the Companies Act 1985. She is 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.

Small company exemptions

The report of the Director has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 and was approved on 20th July 1999, and signed.

Mrs J. Summerton, Secretary

Date: 20th July 1999

ACCOUNTANTS' REPORT TO THE DIRECTORS
ON THE UNAUDITED ACCOUNTS OF
M. Y. LEISURE LIMITED

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31st October 1998, set out on pages 3 to 10, and you consider that the company is exempt from an audit and a report under Section 249A(1) 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.

Moore Scott & Co

Moore Scott & Co
Chartered Accountants
Aden Chambers
South Crescent
Llandrindod Wells
Powys
LD1 5DH
Date: 22/7/99

M. Y. LEISURE LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST OCTOBER 1998

	Notes	1998 £	1997 £
Turnover	2	203,231	224,030
Cost of Sales		146,961	158,279
Gross Profit		56,270	65,751
Administrative Expenses		59,139	49,756
		(2,869)	15,995
Other operating income		580	-
Operating Loss/Profit	3	(2,289)	15,995
Interest Receivable		294	368
Interest Payable and Similar Charges	4	(10,324)	(6,314)
Loss/Profit on Ordinary Activities before Taxation		(12,319)	10,049
Tax on loss/profit on ordinary activities	6	(2,678)	2,976
Loss/Profit for the Financial Year	14	(9,641)	7,073
Retained Profit Brought Forward		29,141	22,068
Retained Profit Carried Forward		19,500	29,141

M. Y. LEISURE LIMITED

BALANCE SHEET

AS AT 31ST OCTOBER 1998

	Notes	1998	1997
		£	£
Fixed Assets			
Tangible assets	7	105,934	112,076
Current Assets			
Stocks		99,955	98,402
Debtors	8	11,146	5,621
Cash at bank and in hand		5,700	5,905
		<u>116,801</u>	<u>109,928</u>
Creditors: Amounts Falling Due Within One Year	9	<u>83,003</u>	<u>52,463</u>
Net Current Assets		<u>33,798</u>	<u>57,465</u>
Total Assets Less Current Liabilities		<u>139,732</u>	<u>169,541</u>
Creditors: Amounts Falling Due After More Than One Year	10	65,311	84,899
Accruals and Deferred Income			
Accruals and deferred income		13,920	14,500
		<u>60,501</u>	<u>70,142</u>
Capital and Reserves			
Share capital	13	27,001	27,001
Share premium account	14	14,000	14,000
Profit and loss account	14	19,500	29,141
Shareholders' Funds		<u>60,501</u>	<u>70,142</u>

The director is of the opinion that the company is entitled to exemption from audit conferred by Subsection 1 of Section 249A of the Companies Act 1985 for the year ended 31st October 1998.

The director confirms that no member or members have requested an audit pursuant to Subsection 2 of Section 249B of the Companies Act 1985.

The director confirms that she is responsible for:

ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985,

and preparing accounts which give a true and fair view of the state of the affairs of the company as at the end of the financial year and of its results for the financial year in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

M. Y. LEISURE LIMITED

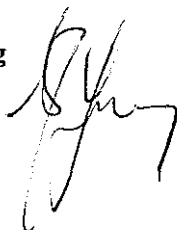
BALANCE SHEET

AS AT 31ST OCTOBER 1998

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

These accounts were approved by the board on 20th July 1999 and signed on its behalf.

Mrs S.J. Young
Director



M. Y. LEISURE LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST OCTOBER 1998

1 Accounting Policies

Basis of Accounting

The Accounts have been prepared under the historical cost convention.

The company has taken advantage of the exemptions in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is a small 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 or valuation less estimated residual value of all tangible fixed assets other than freehold land and property by reducing balance method over their expected useful lives. The rates and periods generally applicable are:

Freehold properties	10% on cost of selected improvements
Plant and machinery	25% NBV
Motor vehicles	25% NBV
Fixtures and fittings	25% NBV
Computer equipment	25%NBV

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.

Government Grants/Assistance

Government grants in respect of capital expenditure are credited to a deferred income account and are released to the Profit and Loss Account by equal annual instalments over the expected useful lives of the relevant assets.

Government grants/assistance of a revenue nature are credited to the profit and loss account in the same period as the related expenditure.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Deferred Taxation

Deferred tax is provided for under the liability method using the tax rates estimated to arise when the timing differences reverse and is accounted for to the extent that it is probable that a liability or asset will crystallise. Unprovided deferred tax is disclosed as a contingent liability.

Debit balances arising in respect of advanced corporation tax on dividends payable or proposed are carried forward to the extent that they are expected to be recoverable.

M. Y. LEISURE LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST OCTOBER 1998

Leased Assets

Assets held under finance leases and hire purchase contracts are capitalised in the Balance Sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the Profit and Loss Account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the Profit and Loss Account on a straight line basis over the lease term.

2 Turnover

The turnover was derived from the company's principal activity which was carried out wholly in the UK.

3 Operating Loss

The operating loss is arrived at after charging or crediting:

	1998	1997
	£	£
Depreciation of owned assets	2,385	2,217
Depreciation of assets held under finance leases and hire purchase contracts	5,859	7,812
Pension contributions	-	-

4 Interest Payable and Similar Charges

	1998	1997
	£	£
Interest payable includes:		
On finance lease and hire purchase contracts	3,399	1,860

5 Director

	1998	1997
	£	£
Director's remuneration	5,563	538

6 Taxation

	1998	1997
	£	£
Based on the loss/profit for the year		
UK corporation tax	(2,678)	2,976
	(2,678)	2,976

M. Y. LEISURE LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST OCTOBER 1998

7 Tangible Fixed Assets

	Land & Buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1st November 1997	83,740	42,719	126,459
Additions	-	2,102	2,102
At 31st October 1998	83,740	44,821	128,561
Depreciation			
At 1st November 1997	663	13,720	14,383
Charge for the year	363	7,881	8,244
At 31st October 1998	1,026	21,601	22,627
Net Book Value			
At 31st October 1998	82,714	23,220	105,934
<i>At 31st October 1997</i>	<i>83,077</i>	<i>28,999</i>	<i>112,076</i>

Assets held under finance leases originally cost £31,701 (1997: £31,701) and have a net book value of £17,578 (1997: £23,437).

8 Debtors

	1998	1997
	£	£
Other debtors	11,146	5,621
	11,146	5,621

9 Creditors: Amounts Falling Due Within One Year

	1998	1997
	£	£
Bank loans and overdrafts (Note 11)	4,070	8,256
Obligations under hire purchase and finance lease contracts	16,762	3,012
Trade creditors	34,764	39,257
Other creditors	10,417	1,936
Directors' loan accounts	16,990	2
	83,003	52,463

The bank overdrafts are secured by a fixed and floating charge over all of the company's assets.

'Other creditors' include £8,805 (1997 - £68) in respect of taxation and social security.

M. Y. LEISURE LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST OCTOBER 1998

10	Creditors: Amounts Falling Due After One Year	1998	1997
		£	£
	Bank Loans (Note 11)	34,930	37,756
	Other Loans (Note 11)	29,000	29,000
	Obligations under hire purchase and finance lease contracts	1,381	18,143
		<u>65,311</u>	<u>84,899</u>

The bank overdrafts are secured by a fixed and floating charge over all of the company's assets.

11	Loans	1998	1997
		£	£
	Amounts included in creditors and payable in more than five years	<u>53,290</u>	<u>55,786</u>

12 Accruals and Deferred Income

On 31st March 1997 a government capital grant was received to assist in the purchase of the property. The grant is subject to certain criteria which, if not met within three years becomes repayable.

As it is not anticipated that the grant will now become repayable, it is being amortised through the profit and loss account on a straight line basis over the next 25 years.

13	Share Capital	1998	1997
		£	£
	Authorised		
	50,000 Ordinary shares of £1.00 each	<u>50,000</u>	<u>50,000</u>
		<u>50,000</u>	<u>50,000</u>
	Allotted		
	27,001 Allotted, called up and fully paid ordinary shares of £1.00 each	<u>27,001</u>	<u>27,001</u>

M. Y. LEISURE LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST OCTOBER 1998

14 Reserves

	Share Premium Account	Profit and Loss Account
	£	£
At 1st November 1996	6,000	22,068
Loss/Profit for the year	-	7,073
Premium on allotment	8,000	-
	14,000	29,141
At 1st November 1997	-	(9,641)
Loss/Profit for the year		
At 31st October 1998	14,000	19,500