

**ASSOCIATED CHURCH CLUBS LIMITED**

**ANNUAL REPORT**

**YEAR ENDED 31 DECEMBER 1999**

**COMPANY NUMBER 2724031**



**ASSOCIATED CHURCH CLUBS LIMITED**

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**YEAR ENDED 31 DECEMBER 1999**

<b>CONTENTS</b>	<b>PAGE</b>
Directors' Report	1
Statement of Directors' Responsibilities	2
Auditors' Report	3
Profit and Loss Account	4
Balance Sheet	5
Cash Flow Statement	6
Notes to the Financial Statements	7 - 12

# ASSOCIATED CHURCH CLUBS LIMITED

## DIRECTORS' REPORT

The directors present their annual report, together with the audited financial statements for the year ended 31 December 1999.

### 1 Results and dividends

The loss for the year after tax amounted to £148,742.

The directors do not recommend the payment of a dividend.

### 2 Review of the business

The principal activity of the company is the management of bulk brewery purchasing arrangements for parish clubs in the Archdiocese of Liverpool and from other Dioceses.

### 3 Shareholding

The company is a wholly owned subsidiary of Liverpool Roman Catholic Archdiocesan Trustees Incorporated, a registered charity number 232709, and the taxable profits of the company are covenanted to the charity.

### 4 Directors

The directors during the year were as follows:

Rev A O'Brien (appointed 1 October 1999)

Mgr M McKenna (resigned 15 October 1999, reappointed 1 July 2000)

M R Davies

C Callaghan

J Cowdall

Rev T Dooley

Rev M Lee

Rev K Mullen

Rev S O'Connor

B A O'Toole

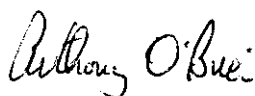
Rev M. Worden

None of the directors have any interest in the shares of the company other than nominee interests.

### 5 Auditors

A resolution to reappoint the auditors, Pannell Kerr Forster, will be proposed at the Annual General Meeting.

## ON BEHALF OF THE BOARD



Director

12 October 2000

## **ASSOCIATED CHURCH CLUBS LIMITED**

### **STATEMENT OF 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 affairs 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;
- state whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements.
- 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 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' REPORT TO THE SHAREHOLDERS OF  
ASSOCIATED CHURCH CLUBS LIMITED**

We have audited the financial statements on pages 4 to 12 which have been prepared under the accounting policies set out on page 7.

**Respective responsibilities of directors and auditors**

As described on page 2, 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 affairs of the company as at 31 December 1999, and of the loss for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.



**Pannell Kerr Forster**

**Registered Auditors**

**Liverpool**

12 October 2000

**ASSOCIATED CHURCH CLUBS LIMITED**

**PROFIT AND LOSS ACCOUNT**

**YEAR ENDED 31 DECEMBER 1999**

	Notes	1999 £	1998 £
Turnover	1.2	6,713,155	6,047,278
Cost of sales	1.3	(3,770,470)	(3,441,028)
		<u>2,942,685</u>	<u>2,606,250</u>
Administrative expenses		(3,129,715)	(2,659,254)
<b>Operating result</b>		<b>(187,030)</b>	<b>(53,004)</b>
Interest receivable		39,107	48,662
Interest payable	3	(819)	(129)
<b>Loss on ordinary activities before taxation</b>	4	<b>(148,742)</b>	<b>(4,471)</b>
Taxation	5	-	-
<b>Loss for the year transferred to reserves</b>	10	<b><u>(148,742)</u></b>	<b><u>(4,471)</u></b>

All amounts relate to continuing operations.

The company has no recognised gains or losses other than the loss for the year.

**ASSOCIATED CHURCH CLUBS LIMITED**

**BALANCE SHEET**

**31 DECEMBER 1999**

	Notes	1999	1998
		£	£
<b>Fixed assets</b>	6	38,604	40,156
<b>Current assets</b>			
Debtors	7	5,587,572	4,856,669
Cash at bank and in hand		1,929,699	1,124,579
		<u>7,517,271</u>	<u>5,981,248</u>
<b>Creditors – amounts falling due within one year</b>	8.1	<u>(6,836,552)</u>	<u>(5,153,339)</u>
<b>Net current assets</b>		<u>680,719</u>	<u>827,909</u>
<b>Total assets less current liabilities</b>		<u>719,323</u>	<u>868,065</u>
<b>Creditors – amounts falling due after one year</b>	8.2	<u>(600,000)</u>	<u>(600,000)</u>
<b>Net assets</b>		<u><u>119,323</u></u>	<u><u>268,065</u></u>
<b>Capital and reserves</b>			
Called up share capital	9	500,000	500,000
Profit and loss account	10	<u>(380,677)</u>	<u>(231,935)</u>
<b>Shareholders' funds</b>	11	<u><u>119,323</u></u>	<u><u>268,065</u></u>

Approved by the board on 12 October 2000

*Anthony O'Brien*

Rev A O'Brien - Director

**ASSOCIATED CHURCH CLUBS LIMITED**

**CASH FLOW STATEMENT**

**YEAR ENDED 31 DECEMBER 1999**

	Notes	1999 £	1998 £
<b>Reconciliation of operating result to net cash inflow from operating activities</b>			
Operating result		(187,030)	(53,004)
Depreciation charges		19,178	13,645
Profit on sale of tangible fixed assets		-	(2,430)
(Increase)/decrease in debtors		(731,750)	370,845
Increase/(decrease) in creditors		<u>2,089,343</u>	<u>(852,059)</u>
<b>Net cash inflow/(outflow) from operating activities</b>		<b>1,189,741</b>	<b>(523,003)</b>
 <b>Returns on investments and servicing of finance</b>			
	14.1	39,135	27,180
<b>Capital expenditure</b>	14.2	<u>(17,626)</u>	<u>(31,866)</u>
Increase/(decrease) in cash	15	<u><b>1,211,250</b></u>	<u><b>(527,689)</b></u>
 <b>Reconciliation of net cash flow to movement in net debt</b>			
Change in net debt being increase/(decrease) in cash	15	1,211,250	(527,689)
Net debt at 1 January 1999	15	<u>(35,317)</u>	<u>492,372</u>
<b>Net funds at 31 December 1999</b>	15	<u><b>1,175,933</b></u>	<u><b>(35,317)</b></u>

# ASSOCIATED CHURCH CLUBS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 1999

### 1 ACCOUNTING POLICIES

#### 1.1 Basis of accounting

The financial statements are prepared under the historical cost convention.

#### 1.2 Turnover

Turnover represents brewery discounts receivable in respect of supplies to parish clubs and other income.

#### 1.3 Cost of sales

The cost of sales includes discounts distributable to participants outside the Archdiocese.

#### 1.4 Depreciation

Depreciation is provided at the following annual rates in order to write off the cost of fixed assets over their estimated useful lives:-

Computer equipment	-	25% of cost
Motor vehicles	-	25% of cost
Office equipment	-	25% of cost

#### 1.5 Deferred taxation

Provision is made for deferred tax using the liability method to the extent that it is probable that a liability will crystallise.

#### 1.6 Pension costs

The company and eligible employees contribute to a money purchase pension scheme.

### 2 DIRECTORS AND EMPLOYEES

	1999 £	1998 £
2.1 Directors' remuneration		
Emoluments including pension contributions	<u>29,851</u>	<u>28,345</u>

The highest paid director received £29,851 including £1,695 (1998: £1,467) contributions to a money purchase pension scheme.

#### 2.2 Employee information

Aggregate amounts for both staff and directors paid in respect of:	£	£
Wages and salaries	161,146	88,765
Social security costs	12,499	8,671
Other pension costs	<u>4,023</u>	<u>2,497</u>
	<u>177,668</u>	<u>99,933</u>

Average number of persons employed during the year was 8 (1998 average number 6)

**ASSOCIATED CHURCH CLUBS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 1999**

**3 INTEREST PAYABLE**

	1999	1998
	£	£
On bank overdrafts	<u>819</u>	<u>129</u>

**4 LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION**

The loss on ordinary activities before taxation is stated after charging/(crediting):

Auditors' remuneration	3,250	2,750
Depreciation	19,178	13,645
Profit on sale of fixed assets	-	(2,430)
Deed of covenant provision to parent undertaking	<u>2,410,000</u>	<u>2,151,019</u>

**5 TAXATION**

There is no liability to taxation based on the result for the year.

ASSOCIATED CHURCH CLUBS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 1999

6 FIXED ASSETS – TANGIBLE

	At 1 January 1999 £	Additions £	At 31 December 1999 £
<b>Cost</b>			
Computer equipment	31,942	17,626	49,568
Office equipment	1,185	-	1,185
Motor vehicles	43,020	-	43,020
	<u>76,147</u>	<u>17,626</u>	<u>93,773</u>
	At 1 January 1999	Charge for year	At 31 December 1999
<b>Depreciation</b>			
Computer equipment	21,341	8,127	29,468
Office equipment	197	296	493
Motor vehicles	14,453	10,755	25,208
	<u>35,991</u>	<u>19,178</u>	<u>55,169</u>
	At 1 January 1999		At 31 December 1999
<b>Net book amounts</b>			
Computer equipment	10,601		20,100
Office equipment	988		692
Motor vehicles	28,567		17,812
	<u>40,156</u>		<u>38,604</u>

**ASSOCIATED CHURCH CLUBS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 1999**

**7 DEBTORS**

	1999	1998
	£	£
<b>Due within one year:</b>		
Trade debtors	2,042,048	1,746,148
Amount due from parent undertaking	3,454,829	3,039,141
Amount due from fellow subsidiary undertaking	7,792	7,792
Other taxation debtor	15,724	12,967
Other debtors and prepayments	67,179	50,621
	<u>5,587,572</u>	<u>4,856,669</u>

**8 CREDITORS**

**8.1 Amounts falling due within one year:**

Bank overdraft	753,766	1,159,896
Amounts distributable to non Liverpool clubs	658,806	516,851
Deed of covenant provision	2,410,000	2,040,440
Other taxation and social security	-	3,974
Amount due to fellow subsidiary undertaking	1,281,950	607,500
Accruals and sundry creditors	1,732,030	824,678
	<u>6,836,552</u>	<u>5,153,339</u>

**8.2 Amounts falling due after one year:**

Amount due to parent undertaking	<u>600,000</u>	<u>600,000</u>
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**9 CALLED UP SHARE CAPITAL**

	Authorised £	Issued & fully paid £
Ordinary shares of £ 1 each	<u>1,000,000</u>	<u>500,000</u>

# ASSOCIATED CHURCH CLUBS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 1999

10	RESERVES	Profit and loss account £
	Accumulated loss brought forward	(231,935)
	Loss for year (page 4)	(148,742)
	<b>Accumulated loss carried forward</b>	<b>(380,677)</b>

## 11 SHAREHOLDERS' FUNDS

The reconciliation of movements in shareholders' funds was as follows:

	1999 £	1998 £
Loss for the financial year	(148,742)	(4,471)
Balance at 1 January 1999	268,065	272,536
<b>Balance at 31 December 1999</b>	<b>119,323</b>	<b>268,065</b>

## 12 COMMITMENTS

The company has guaranteed the payment of the trading liabilities due to the suppliers from participants to the scheme. The commitment amounted to £2,691,853 at 31 December 1999 in respect of supplies made in December 1999. The total indebtedness was paid by the company in January 2000 and subsequently recovered from participants.

## 13 ULTIMATE PARENT ENTITY AND RELATED PARTY TRANSACTIONS

The company is a wholly owned subsidiary of Liverpool Roman Catholic Archdiocesan Trustees Incorporated, a charity registered under the Charities Act No. 232709. The taxable profits of the company are covenanted to the charity.

During the period there have been transactions with other group undertakings. As these transactions are included in the consolidated Charity accounts and these accounts are publicly available, the company has taken advantage of the exemption allowed by FRS8.

**ASSOCIATED CHURCH CLUBS LIMITED**

**NOTES TO THE ACCOUNTS**

**YEAR ENDED 31 DECEMBER 1999**

14	GROSS CASH FLOWS	1999		1998	
		£	£	£	£
14.1	<b>Returns on investments and servicing of finance</b>				
	Interest received	39,954		27,309	
	Interest paid	(819)		(129)	
			<u>39,135</u>		<u>27,180</u>
14.2	<b>Capital expenditure</b>				
	Payments to acquire tangible fixed assets	(17,626)		(35,866)	
	Proceeds from sale of tangible fixed assets	-		4,000	
			<u>(17,626)</u>		<u>(31,866)</u>

**15 ANALYSIS OF CHANGES IN NET DEBT**

	At 1 January 1999 £	Cash flows £	At 31 December 1999 £
Cash at bank and in hand	1,124,579	805,120	1,929,699
Overdraft	(1,159,896)	406,130	(753,766)
	<u>(35,317)</u>	<u>1,211,250</u>	<u>1,175,933</u>