

**THE LEISURE WORKSHOP LIMITED**

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2003**



**COMPANY NUMBER: 3177388**

REPORT AND FINANCIAL STATEMENTS

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**THE LEISURE WORKSHOP LIMITED**

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**DIRECTORS AND SECRETARY**

**Directors**

M A Cole  
L R Hurst

**Secretary**

M A Cole

**Registered Office**

17 North Avenue  
Ealing  
London  
W13 8AP

**Company Number**

3177388

**Auditors**

Solomon Hare LLP  
Oakfield House  
Oakfield Grove  
Clifton  
Bristol  
BS8 2BN

**Bankers**

HSBC Bank plc  
Marble Arch branch  
76 Edgware Road  
London  
W2 2EQ

## THE LEISURE WORKSHOP LIMITED

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### DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 30 June 2003.

### PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company continued to be the management company of a subsidiary.

### RESULTS AND DIVIDENDS

The profit for the year after taxation amounted to £15,469 (2002: £15,959) and is dealt with as shown on page 4.

The directors recommend a final dividend payment of £250 per ordinary share (2002: £475). During the year an interim dividend of £nil (2002: £223.23) was paid.

### DIRECTORS

The directors and their interests in the shares of the company were as follows:

	Ordinary shares of £1 each	
	2003	2002
M A Cole	50	50
L R Hurst	150	150

### 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 for the year. In preparing those financial statements, the directors are required to:

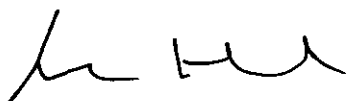
- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on a 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

A resolution to re-appoint Solomon Hare LLP as the company's auditor will be proposed at the Annual General Meeting in accordance with Section 385 of the Companies Act 1985.

Approved by the Board of Directors and signed on behalf of the Board by



L R Hurst  
Director

Date: 19.04.04

## THE LEISURE WORKSHOP LIMITED

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### INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF THE LEISURE WORKSHOP LIMITED

We have audited the financial statements of The Leisure Workshop Limited for the year ended 30 June 2003 set out on pages 4 to 9. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.


#### Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 as at 30 June 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



SOLOMON HARE LLP  
Chartered Accountants  
Registered Auditors  
Oakfield House  
Oakfield Grove  
Clifton  
Bristol  
BS8 2BN

Date: 19 April 2004

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**THE LEISURE WORKSHOP LIMITED**

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**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 30 JUNE 2003**

	Note	2003 £	2002 £
<b>Turnover</b>		-	-
Administrative costs	2	(7,376)	(10,836)
<b>(Loss) before interest and other income</b>		(7,376)	(10,836)
Income from other investments	3	4,491	2,638
Interest receivable		18,354	24,157
<b>Profit on ordinary activities before taxation</b>		15,469	15,959
Tax on profit on ordinary activities	5	-	-
<b>Profit on ordinary activities after taxation</b>		15,469	15,959
Dividend	6	(50,000)	(139,645)
Transfer (from) reserves		(34,531)	(123,686)
Reserves brought forward		1,036,426	1,160,112
Reserves carried forward		1,001,895	1,036,426

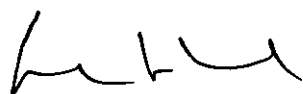
All gains and losses are included in the profit and loss account.  
All amounts relate to continuing activities.

The notes on pages 6 to 9 form part of these financial statements.

**THE LEISURE WORKSHOP LIMITED****BALANCE SHEET AT 30 JUNE 2003**

	Note	2003 £	2002 £
<b>Fixed assets</b>			
Investments	7	674,445	672,545
<b>Current assets</b>			
Debtors	8	325	2,630
Cash at bank and in hand		631,907	661,833
		632,232	664,463
Creditors (amounts falling due within one year)	9	(304,582)	(300,382)
<b>Net current assets</b>		327,650	364,081
<b>Total assets less current liabilities</b>		1,002,095	1,036,626
<b>Net assets</b>		1,002,095	1,036,626
<b>Capital and reserves</b>			
Called up share capital	10	200	200
Profit and loss account	12	1,001,895	1,036,426
Equity shareholders' funds	11	1,002,095	1,036,626

Approved by the Board

L R Hurst  
Director

Date: 19.04.04 .

The notes on pages 6 to 9 form part of these financial statements.

REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2003

NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

a. Basis of preparation

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards.

b. Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 from including a cash flow statement in the accounts on the grounds that the company is small.

c. Turnover

Turnover represents amounts receivable by the company in respect of the services of its directors and its position as a management company, net of value added tax. All turnover is derived from operations within the United Kingdom. Dividend income is recognised in the financial statements on a receivable basis.

d. Investments

Listed investments are stated at cost less provision for any impairment in value.

The investment in the ordinary share capital of Jasmine Limited qualifies for merger relief and accordingly the investment is stated at the nominal value of the shares issued to acquire the investment.

e. Consolidation

The company has claimed exemption under section 248 of the Companies Act 1985 from the preparation of group financial statements on the grounds that the group is medium sized. The financial statements give information about the company as an individual undertaking and not about its group.

f. Deferred taxation

Deferred tax liabilities are recognised on a full provision basis in respect of all timing differences which have originated, but not reversed at the balance sheet date. Deferred tax assets arising from the same are recognised to the extent that the directors consider it more likely than not that the asset is recoverable.

2 ADMINISTRATIVE COSTS

	2003	2002
Administrative costs include:	£	£
Management charge	4,000	8,145
Auditors' emoluments in respect of audit services	750	500



# THE LEISURE WORKSHOP LIMITED

## REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2003

### NOTES TO THE FINANCIAL STATEMENTS (Continued)

#### 3 INCOME FROM OTHER INVESTMENTS

	2003	2002
	£	£
Income from fixed asset investments	4,491	2,638

#### 4 EMPLOYEES AND DIRECTORS

No staff costs were incurred in the year. The average number of employees (including directors) employed by the company during the year was 2 (2002: 2).

#### 5 TAXATION

There is no charge to taxation arising on the profit for the year due to the availability of group relief.

##### Factors affecting tax charge for period

The tax assessed for the year is lower than the standard rate of corporation tax in the UK at 19 per cent (2002: 20 per cent). The differences are explained below:

	2003	2002
	%	%
Standard rate of corporation tax in the United Kingdom	19.0	20.0%
Effects of:		
Income not taxable	(5.5)	(3.3)
Group relief	(11.0)	(16.7)
Profits in nil rate band	(2.5)	-
UK corporation tax charge for the year	0.0	0.0

#### 6 DIVIDEND

	2003	2002
	£	£
Final dividend: £250 per ordinary share (2002: £475)	50,000	95,000
Interim dividend: £ nil per ordinary share (2002: £223.23)	-	44,645
	50,000	139,645

# THE LEISURE WORKSHOP LIMITED

## REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2003

### NOTES TO THE FINANCIAL STATEMENTS (Continued)

#### 7 FIXED ASSET INVESTMENTS

	Shares in listed companies £	Shares in unlisted companies £	Shares in subsidiary companies (unlisted) £	Total £
Cost at 1 July 2002	30,298	48,426	593,821	672,545
Additions	-	1,900	-	1,900
Cost at 30 June 2003	30,298	50,326	593,821	674,445

The market value of the listed investments at 30 June 2003 is £30,299 (2002: £30,027).

The company's only subsidiary at 30 June 2003 is Jasmine Limited in which it holds 100 fully paid ordinary shares of £1 each, 49,900 fully paid ordinary shares of 25p each and 1 'A' ordinary share of £1 each. The subsidiary is 100% owned, registered in England and Wales and trades in the United Kingdom. Jasmine Limited had capital and reserves at 30 June 2003 of £1,871,645 (2002: £1,386,429) and a profit after tax for the year ended 30 June 2003 of £431,216 (2002: loss £75,788).

#### 8 DEBTORS

	2003 £	2002 £
Other debtors	225	530
Amount due from subsidiary undertaking	-	2,000
Unpaid share capital	100	100
	325	2,630

#### 9 CREDITORS: AMOUNT FALLING DUE WITHIN ONE YEAR

	2003 £	2002 £
Accruals and deferred income	2,512	2,312
Amounts due to subsidiary undertaking	252,070	203,070
Proposed dividend	50,000	95,000
	304,582	300,382

**THE LEISURE WORKSHOP LIMITED****REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2003****NOTES TO THE FINANCIAL STATEMENTS (Continued)****10 SHARE CAPITAL**

	2003	2002
	£	£
Authorised, allotted and issued		
200 ordinary shares of £1 each	200	200
Fully paid:		
100 ordinary shares of £1 each	100	100
Unpaid:		
100 ordinary shares of £1 each	100	100
	200	200

**11 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2003	2002
	£	£
Profit for the financial year	15,469	15,959
Dividend	(50,000)	(139,645)
Net decrease in shareholders' funds	(34,531)	(123,686)
Opening shareholders' funds	1,036,626	1,160,312
Closing shareholders' funds	1,002,095	1,036,626

**12 RESERVES: PROFIT AND LOSS ACCOUNT**

	2003	2002
	£	£
At 1 July 2002	1,036,426	1,160,112
Profit for the year	15,469	15,959
Dividend	(50,000)	(139,645)
At 30 June 2003	1,001,895	1,036,426

**13 RELATED PARTY TRANSACTIONS**

The Company was charged management charges of £4,000 (2002: £8,415) to Jasmine Limited, a subsidiary company, during the year.

The Company owed £252,070 (2002: £203,070) to Jasmine Limited at the balance sheet date.

The company has been controlled throughout the period by L R Hurst and M A Cole who are directors and shareholders. At 30 June 2003, a £50,000 dividend was owed to the directors (2002: £95,000).

All transactions were on normal commercial terms.