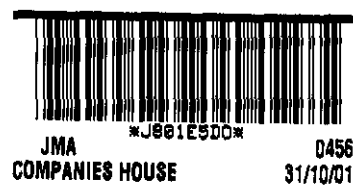


# **Riverside Childcare Limited**

## **Directors' report and financial statements**

**31 December 2000**

Registered number 3210281



# Riverside Childcare Limited

## Directors' report and financial statements

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# Riverside Childcare Limited

## Directors' report

The directors present their annual report and the audited financial statements for the period ended 31 December 2000.

### Principal activities

The principal activity of the company during the year was the provision of crèche facilities.

### Business review

The directors are satisfied with the results for the period.

### Proposed dividend and transfer to reserves

The profit after taxation attributable to the shareholder is £103,000 (*period ended 31 December 1999: £58,000*) and has been transferred to reserves.

The directors do not recommend the payment of a dividend (*period ended 31 December 1999: £nil*).

### Directors and directors' interests

The directors who held office during the year were as follows:

Mr CG Coles

Mr P Henchoz (resigned 31 December 2000)

Miss V Penrice (appointed 17 May 2000)

Mr M Beadle (appointed 17 May 2000 and resigned 20 July 2001)

Mr D Waddell (appointed 1 November 2000)

Mr M Ball (appointed 23 July 2001)

The interests of Miss V Penrice, who was not a director of the company's ultimate parent undertaking, Esporta plc, in the ordinary share capital of that company at 31 December 2000 are as follows:

	At end of year Number		At appointment Number	
	Shares	Options	Shares	Options
Miss V Penrice	3,030	31,571	-	31,571

The market price of the shares of Esporta plc at 31 December 2000 was 98p and the range during the period since 1 February 2000 was 93p to 130p.

# Riverside Childcare Limited

## Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution for the re-appointment of KPMG Audit Plc as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board

  
V Penrice  
Director

Trinity Court  
Molly Millars Lane  
Wokingham  
Berkshire

19 October 2001

# Riverside Childcare Limited

## Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the profit or loss 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 to enable them to ensure that the financial statements comply with the Companies Act 1985. They have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



Edward VII Quay  
Navigation Way  
Ashton-on-Ribble  
Preston  
Lancashire PR2 2YF

## Report of the auditors to the members of Riverside Childcare Limited

We have audited the financial statements on pages 5 to 11.

### *Respective responsibilities of directors and auditor*

As described on page 3 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 the company's affairs as at 31 December 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*KPMG Audit Plc*

**KPMG Audit Plc**  
*Chartered Accountants*  
*Registered Auditor*

19 October 2001

# Riverside Childcare Limited

## Profit and loss account

*for the period ended 31 December 2000*

	<i>Note</i>	<b>Year ended 31 December 2000 £000</b>	<b>Period ended 31 December 1999 £000</b>
<b>Turnover - continuing operations</b>	<i>1</i>	<b>820</b>	<b>742</b>
Cost of sales		<b>(519)</b>	<b>(460)</b>
<b>Gross profit</b>		<b>301</b>	<b>282</b>
Administrative expenses		<b>(154)</b>	<b>(196)</b>
<b>Operating profit - continuing operations</b>	<i>2</i>	<b>147</b>	<b>86</b>
Interest payable	<i>4</i>	<b>-</b>	<b>(3)</b>
<b>Profit on ordinary activities before taxation</b>		<b>147</b>	<b>83</b>
Tax on profit on ordinary activities	<i>5</i>	<b>(44)</b>	<b>(25)</b>
<b>Retained profit for the financial period</b>	<i>10</i>	<b>103</b>	<b>58</b>

## Statement of total recognised gains and losses

*for the period ended 31 December 2000*

The company has no recognised gains or losses other than those shown in the profit and loss account for both the current and prior period.

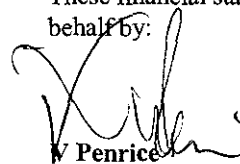
# Riverside Childcare Limited

## Balance sheet

at 31 December 2000

	Note	2000 £000	1999 £000
<b>Fixed assets</b>			
Tangible assets	6	7	13
<b>Current assets</b>			
Debtors	7	357	185
Cash at bank and in hand		5	5
		<u>362</u>	<u>190</u>
<b>Creditors: amounts falling due within one year</b>	8	<u>(194)</u>	<u>(131)</u>
<b>Net current assets</b>		<b>168</b>	<b>59</b>
<b>Net assets</b>		<u><b>175</b></u>	<u><b>72</b></u>
<b>Capital and reserves</b>			
Called up share capital	9	-	-
Profit and loss account	10	175	72
<b>Equity shareholders' funds</b>	11	<u><b>175</b></u>	<u><b>72</b></u>

These financial statements were approved by the board of directors on 19 October 2001 and were signed on its behalf by:

  
V Penrice  
Director



# Riverside Childcare Limited

## Notes

(forming part of 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.

#### *Basis of preparation*

The financial statements have been prepared in accordance with applicable accounting standards, under the historical cost accounting rules and within the requirements of the Companies Act 1985.

The company is exempt from the requirement of FRS 1 to prepare a cash flow statement as it is a wholly owned subsidiary undertaking of Esporta Plc, and its cash flows are included within the consolidated cash flow statement of that company.

#### *Related party transactions*

The directors have taken advantage of the exemption in FRS 8, paragraph 3(c) and have not disclosed related party transactions with parent and fellow subsidiary undertakings.

#### *Operating results*

The operating results include transactions at operating units up to and including the Sunday nearest to 31 December of each year. All other transactions are included up to 31 December.

#### *Turnover*

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to customers during the year. All turnover arises in the United Kingdom.

#### *Tangible fixed assets and depreciation*

Depreciation is provided by the company to write off the cost less the estimated residual value of each asset by equal instalments evenly over their estimated useful economic life as follows:

Fixtures, fittings and equipment	3 - 4 years
----------------------------------	-------------

#### *Stocks*

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

### 2 Profit on ordinary activities before taxation

	Year ended 31 December 2000 £000	Period ended 31 December 1999 £000
<i>Profit on ordinary activities before taxation is stated after charging:</i>		
Depreciation and other amounts written off owned assets	8	4
Auditors' remuneration is paid by the ultimate parent undertaking.		

# Riverside Childcare Limited

## Notes (continued)

### 3 Remuneration of directors

The directors received no remuneration from the company during the period (*year ended 31 October 1998: £nil*) but were remunerated by the ultimate parent undertaking, Esporta plc.

### 4 Interest payable

	Year ended 31 December 2000 £000	Period ended 31 December 1999 £000
Interest payable	(1)	(3)
Interest receivable	1	-
	<hr/>	<hr/>
	-	(3)
	<hr/>	<hr/>

### 5 Taxation

	Year ended 31 December 2000 £000	Period ended 31 December 1999 £000
Corporation tax at 30% ( <i>period ended 31 December 1999: 30%</i> ) on taxable profits for the period	44	25
	<hr/>	<hr/>

# Riverside Childcare Limited

## Notes (continued)

### 6 Tangible fixed assets

	Fixtures, fittings and equipment £000
<b>Cost</b>	
At 1 January 2000	35
Additions	2
At 31 December 2000	37
<b>Depreciation</b>	
At 1 January 2000	22
Charge for the period	8
At 31 December 2000	30
<b>Net book value</b>	
At 31 December 2000	7
At 31 December 1999	13

### 7 Debtors

	2000 £000	1999 £000
Trade debtors	52	27
Other debtors	301	157
Prepayments	4	1
	357	185

# Riverside Childcare Limited

## Notes (continued)

### 8 Creditors: amounts falling due within one year

	2000 £000	1999 £000
Trade creditors	28	31
Amounts due to parent and fellow subsidiary undertakings	25	25
Corporation tax	69	25
Other creditors	51	45
Accruals and deferred income	21	5
	<u>194</u>	<u>131</u>

### 9 Called up share capital

	2000 £000	1999 £000
<i>Authorised</i>		
100 Ordinary shares of £1 each	-	-
<i>Allotted, called up and fully paid</i>		
1 Ordinary share of £1 each	-	-

### 10 Reserves

	Profit and loss account £000
At 1 January 2000	72
Retained profit for the financial period	103
At 31 December 2000	<u>175</u>

### 11 Reconciliation of movement in shareholders funds

	2000 £000	1999 £000
Profit for the financial period	103	14
Opening shareholders funds	72	58
Closing shareholders funds	<u>175</u>	<u>72</u>

# Riverside Childcare Limited

## Notes *(continued)*

### 12 **Ultimate parent undertaking**

The company is a subsidiary undertaking of Riverside Limited, a company registered in England and Wales.

Prior to 31 January 2000 the ultimate parent undertaking of the company was First Leisure Corporation PLC which is registered in England and Wales. The largest and smallest group in which the results of the company are consolidated is that headed by First Leisure Corporation PLC.

On 31 January 2000, as part of the reconstruction of First Leisure Corporation PLC, the ownership of the entire share capital of Riverside Limited was transferred from First Leisure Corporation PLC to Esporta plc, a company registered in England and Wales. The consolidated accounts of Esporta plc are available to the public and may be obtained from:

Trinity Court  
Molly Millars Lane  
Wokingham  
Berkshire RG41 2PY