

Company Registration No.
3233456

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TOTTENHAM SOCCER CENTRE LIMITED

Report and Financial Statements

30 June 2003

Deloitte & Touche LLP
Glasgow



TOTTENHAM SOCCER CENTRE LIMITED

REPORT AND FINANCIAL STATEMENTS 2003

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TOTTENHAM SOCCER CENTRE LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

J C Hall
S M Beckwith

SECRETARY

S M Beckwith

REGISTERED OFFICE

Pursley Road
Mill Hill
London
NW7 2BB

BANKERS

Bank of Scotland
Buchan House
Parkway Court
Oxford Business Park
Oxford
OX4 2JY

SOLICITORS

Osborne Clarke
2 Temple Back East
Temple Quay
Bristol
BS1 6EG

INDEPENDENT AUDITORS

Deloitte & Touche LLP
Glasgow

TOTTENHAM SOCCER CENTRE LIMITED

DIRECTORS' REPORT

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

ACTIVITIES

The principal activity of the company is the operation of a five-a-side football centre.

RESULTS AND FUTURE PROSPECTS

The company made an operating loss before exceptional administration expenses of £9,020 (2002: loss of £70,743). Exceptional administration expenses amounted to £Nil (2002: release of £138,000), to give an operating loss for the year of £9,020 (2002: operating profit of £67,257).

The profit for the year after taxation amounted to £906 (2002: £67,257).

A review was undertaken in 2001 of the carrying value of the company's tangible fixed assets which comprises a five-a-side football centre. In view of the site's continuing operating loss, its carrying value was written-down to nil in accordance with Financial Reporting Standard 15. In light of the results in 2003 the value is considered to remain appropriate. Trading has shown some improvement in the months following the balance sheet date and the directors are confident that this improvement can be sustained.

DIVIDENDS

The directors do not recommend payment of a dividend and the retained profit of £906 (2002: £67,257) has been transferred to reserves.

DIRECTORS AND DIRECTORS INTEREST

The Directors who served during the year were:

J C Hall

S M Beckwith

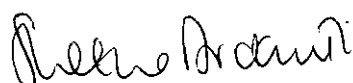
None of the Directors have held any interests in the share capital of the Company.

The interest of Directors in the share capital of the ultimate holding company, Powerleague Group Limited, are set out in the accounts of that company.

AUDITORS

On 1 August 2003, Deloitte & Touche, the Company's auditors transferred their business to Deloitte & Touche LLP, a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000. The Company's consent has been given to treating the appointment of Deloitte & Touche as extending to Deloitte & Touche LLP with effect from 1 August 2003 under the provisions of section 26(5) of the Companies Act 1989. A resolution to re-appoint Deloitte & Touche LLP as the Company's auditors will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed by order of the Board



S M Beckwith

Secretary

Date: 7/1/04

STATEMENT OF DIRECTORS' RESPONSIBILITIES

UK 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 as at the end of the financial year 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; and
- 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 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOTTENHAM SOCCER CENTRE LIMITED

We have audited the financial statements of Tottenham Soccer Centre Limited for the year ended 30 June 2003 which comprise the profit and loss account, the balance sheet, the reconciliation of movements in equity shareholders' deficit and the related notes 1 to 17. These financial statements have been prepared under 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 auditors' 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 United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and 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 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 for the above year and consider the implications for our report if we become aware of any apparent misstatements.

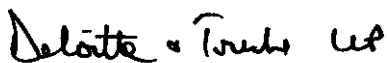
Basis of audit opinion

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.



Deloitte & Touche LLP
Chartered Accountants & Registered Auditors
Glasgow

Date: 7/1/04

TOTTENHAM SOCCER CENTRE LIMITED

PROFIT AND LOSS ACCOUNT

Year ended 30 June 2003

	Note	2003 £	2002 £
TURNOVER	2	256,024	206,400
Cost of sales		(64,840)	(56,298)
GROSS PROFIT		<u>191,184</u>	<u>150,102</u>
Administration expenses		(200,204)	(220,845)
Exceptional administration expenses	5	-	138,000
Total administration expenses		<u>(200,204)</u>	<u>(82,845)</u>
OPERATING (LOSS) / PROFIT ON ORDINARY ACTIVITIES BEFORE TAX	3	(9,020)	67,257
Tax on (loss)/profit on ordinary activities	6	9,926	-
RETAINED PROFIT FOR THE YEAR	13	<u>906</u>	<u>67,257</u>

The results for the current and preceding financial years all relate to continuing operations.

There have been no recognised gains and losses attributable to the shareholders other than the profit for the current financial year and loss for the preceding financial year and, accordingly, no Statement of Total Recognised Gains and Losses is presented.

RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' DEFICIT

Year ended 30 June 2003

	2003 £	2002 £
Profit for the financial year	906	67,257
Opening shareholders' deficit	(1,713,615)	(1,780,872)
Closing shareholders' deficit	<u>(1,712,709)</u>	<u>(1,713,615)</u>

TOTTENHAM SOCCER CENTRE LIMITED

BALANCE SHEET

30 June 2003

	Note	2003 £	2002 £
CURRENT ASSETS			
Stocks	8	3,665	4,158
Debtors	9	333,448	323,522
Cash at bank and in hand		350	350
		<u>337,463</u>	<u>328,030</u>
CREDITORS: amounts falling due within one year	10	<u>(2,038,691)</u>	<u>(2,033,365)</u>
NET CURRENT LIABILITIES		<u>(1,701,228)</u>	<u>(1,705,335)</u>
CREDITORS: amounts falling due after more than one year	11	<u>(11,481)</u>	<u>(8,280)</u>
NET LIABILITIES		<u>(1,712,709)</u>	<u>(1,713,615)</u>
CAPITAL AND RESERVES			
Called up share capital	12	200,099	200,099
Profit and loss account	13	<u>(1,912,808)</u>	<u>(1,913,714)</u>
TOTAL EQUITY SHAREHOLDERS' DEFICIT		<u>(1,712,709)</u>	<u>(1,713,615)</u>

These financial statements were approved by the directors on 7/1/04 .

Signed on behalf of the Board of Directors



S M Beckwith

Director

NOTES TO THE ACCOUNTS

Year ended 30 June 2003

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below.

Basis of preparation

The financial statements have been prepared under the historical cost convention and on a going concern basis.

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment in value.

Depreciation is provided to write-off cost less estimated residual value over the estimated useful lives of the assets. The rates and methods of depreciation are as follows:

Leasehold property	2% straight line
Computer equipment	33% reducing balance
Motor vehicles	33% reducing balance
Fixtures and fittings	25% reducing balance

Stocks

Stocks are stated at the lower of purchase cost and net realisable value. Net realisable value is based on estimated selling price less all relevant marketing, selling and distribution costs.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in period different from those in which they are included in the financial statements.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Cash Flow Statement

The company has not presented a cash flow statement. It has taken advantage of the exemption contained in Financial Reporting Standard 1 (Revised 1996) - "Cash Flow Statements", as the ultimate parent company, Powerleague Group Limited has included a consolidated cash flow statement within its group accounts.

2. TURNOVER

Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom and are stated excluding VAT.

TOTTENHAM SOCCER CENTRE LIMITED

NOTES TO THE ACCOUNTS

Year ended 30 June 2003

3. OPERATING (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAX

	2003 £	2002 £
Operating (loss)/profit on ordinary activities before tax is after charging:		
Accelerated depreciation of tangible fixed assets	11,849	-
Auditors' remuneration	1,500	1,500
Rentals under operating leases:		
Plant & Equipment	2,579	1,640
Land and Buildings	50,000	50,000
	<u>54,928</u>	<u>53,140</u>

4. INFORMATION REGARDING EMPLOYEES AND DIRECTORS

	2003 £	2002 £
Staff Costs		
Wages and salaries	50,809	42,436
Social security costs	4,268	4,197
	<u>55,077</u>	<u>46,633</u>

The average number of employees (excluding directors) during the year was 7 (2002: 8). Employees are site staff. No director received any emoluments during this or the prior year.

5. EXCEPTIONAL ADMINISTRATIVE COSTS

	2003 £	2002 £
Release of provision for onerous lease	-	(138,000)
	<u>-</u>	<u>(138,000)</u>

TOTTENHAM SOCCER CENTRE LIMITED

NOTES TO THE ACCOUNTS

Year ended 30 June 2003

6. TAXATION

	2003 £	2002 £
United Kingdom Corporation tax at 30% based on the (loss)/profit for the year (2002: 30%)		
UK corporation tax, being total current tax	-	-
Deferred taxation	(9,926)	-
	<u>(9,926)</u>	<u>-</u>
Factors affecting the current tax charge for the year		
The tax assessed for the year differs from the standard rate of corporation tax in the UK.		
The differences are explained below:		
Operating (loss)/profit on ordinary activities before tax	(9,020)	67,257
Tax on (loss)/profit on ordinary activities before tax @ 30%	(2,706)	20,177
Expenses not deductible for tax purposes	2,839	2,528
Capital allowances in excess of depreciation	(2,386)	(4,104)
Movement in short term timing differences	-	(41,400)
Group relief surrendered	2,253	-
Utilisation of tax losses	-	22,799
	<u>-</u>	<u>-</u>
Total current tax	-	-

A deferred tax asset of £9,926 (note 8) has been recognised in respect of timing differences where depreciation is in excess of capital allowances. This is recoverable as the company is anticipated to continue to be profitable in future years

A deferred tax asset has not been recognised in respect of timing differences relating to trading losses as there is insufficient evidence that the asset will be recovered. The amount of the asset not recognised is £105,323.

7. TANGIBLE FIXED ASSETS

	Leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 July 2002	1,604,162	34,141	9,482	1,647,785
Additions	9,463	2,386	-	11,849
	<u>1,613,625</u>	<u>36,527</u>	<u>9,482</u>	<u>1,659,634</u>
At 30 June 2003				
Depreciation				
At 1 July 2002	1,604,162	34,141	9,482	1,647,785
Charge for the year	9,463	2,386	-	11,849
	<u>1,613,625</u>	<u>36,527</u>	<u>9,482</u>	<u>1,659,634</u>
At 30 June 2003				
Net book value				
At 30 June 2003	-	-	-	-
At 30 June 2002	-	-	-	-

TOTTENHAM SOCCER CENTRE LIMITED

NOTES TO THE ACCOUNTS

Year ended 30 June 2003

8. STOCKS

	2003 £	2002 £
Goods for resale	3,665	4,158

There is no material difference between the replacement cost of stocks and the amounts shown above.

9. DEBTORS

	2003 £	2002 £
Amounts due from fellow subsidiaries	323,522	323,522
Deferred taxation	9,926	-
	<u>333,448</u>	<u>323,522</u>

All amounts shown under debtors fall due for payment within one year.

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2003 £	2002 £
Amounts owed to parent undertaking	449,515	443,425
Amounts owed to fellow subsidiaries	1,586,701	1,586,701
Other taxation and social security	2,475	3,239
	<u>2,038,691</u>	<u>2,033,365</u>

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2003 £	2002 £
Other taxation and social security	11,481	8,280

12. CALLED UP SHARE CAPITAL

	2003 £	2002 £
Authorised		
200,100 ordinary shares of £1 each	200,100	200,100
Allotted, called up and fully paid		
200,099 ordinary shares of £1 each	200,099	200,099

TOTTENHAM SOCCER CENTRE LIMITED

NOTES TO THE ACCOUNTS

Year ended 30 June 2003

13. RESERVES

	Profit and loss account £
At 1 July 2002	(1,913,714)
Retained profit for the year	906
	<hr/>
At 30 June 2003	<u>(1,912,808)</u>

14. CONTINGENT LIABILITIES

The company has given a cross guarantee to secure the borrowings of its parent undertakings and fellow subsidiaries. At 30 June 2003 the amount outstanding was £25,178,587 (2002: £26,667,877).

15. COMMITMENTS UNDER OPERATING LEASES

As at 30 June 2003 the company had annual commitments under non-cancellable operating leases as set out below:

	2003 £	2002 £
Land & Buildings		
Operating leases which expire:		
After five years	<u>50,000</u>	<u>50,000</u>

16. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption under Financial Reporting Standard Number 8: Related Party Disclosures not to give details of transactions with group companies as it is a wholly owned subsidiary and consolidated financial statements have been produced.

17. PARENT UNDERTAKINGS

The company's immediate parent undertaking is Powerplay Supersoccer Limited.

The company's ultimate parent undertaking is Powerleague Group Limited, and its registered office is Powerleague Soccer Centre, Pursley Road, Mill Hill, London, NW7 2BB. The accounts of the parent company can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.