

Company number: 03525563

NATIONAL SHOOTING CENTRE LIMITED

FINANCIAL STATEMENTS

30 SEPTEMBER 2004

Baker Tilly
Chartered Accountants
The Clock House
140 London Road
Guildford
Surrey GU1 1UW



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COMPANIES HOUSE

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01/02/05

DIRECTORS & OFFICERS

DIRECTORS

C A J Oliver-Bellasis	(Chairman)
J E Staples	(Managing Director)

D T Argent
S C Bunch
M G Farnan, MBE TD
J D I Hossack
J M Kynoch
C S O'Brien
J M A Thompson

SECRETARY

M J Blythe, FCA

REGISTERED OFFICE

Bisley Camp
Brookwood
Woking
Surrey GU24 0PB

AUDITORS

Baker Tilly
Chartered Accountants
The Clock House
140 London Road
Guildford
Surrey GU1 1UW

DIRECTORS' REPORT

The directors submit their report and the financial statements of National Shooting Centre Limited for the year ended 30 September 2004.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was the operation of the trading activities of the company's charitable parent, the National Rifle Association. These activities include the hiring of shooting ranges to clubs and individuals, the hiring of casual accommodation, and sundry retail sales.

REVIEW OF THE BUSINESS & FUTURE DEVELOPMENTS

The use of the rifle and pistol ranges, ammunition sales, and casual accommodation were all at reduced levels compared with last year. The clay range continues to increase both its turnover and profitability in its third full year of trading.

The directors are hoping to see increased profitability in the coming year.

RESULTS & DIVIDENDS

The trading profit for the year before gift aid and taxation was £106,916 (2003: £124,684).

The company has donated £60,000 (2003: £79,684) to its charitable parent under gift aid. Corporation tax of £11,195 (2003: £8,441) has been charged leaving £35,721 (2003: £36,559) retained profit to be transferred to reserves.

The directors do not recommend the payment of a dividend.

DIRECTORS

The following were directors, who have held office since 1 October 2003:

C A J Oliver-Bellasis
J E Staples

D T Argent (appointed 27 March 2004)
S C Bunch
M G Farnan MBE TD
J D I Hossack
J M Kynoch
C S O'Brien
J M A Thompson

DIRECTORS' REPORT

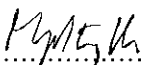
DIRECTORS' INTERESTS IN SHARES

The directors have no beneficial interest in the shares of the company.

AUDITORS

The company has by elective resolution dispensed with the obligation to appoint auditors annually in accordance with Section 386(1) of the Companies Act 1985. Therefore, the auditors, Baker Tilly, Chartered Accountants, are deemed to be reappointed for each succeeding financial year.

By order of the board


..... Secretary
M J Blythe, FCA

18 January 2005

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF THE FINANCIAL STATEMENTS

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:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. 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 requirements of 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 NATIONAL SHOOTING CENTRE LIMITED

We have audited the financial statements on pages 6 to 16.

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

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities. 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 other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

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 at 30 September 2004, and of its profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.



BAKER TILLY

Registered Auditor
Chartered Accountants
The Clock House
140 London Road
Guildford
Surrey GU1 1UW

18 January 2005

PROFIT & LOSS ACCOUNT
for the year ended 30 September 2004

	Notes	2004	2003
TURNOVER	1	1,098,229	1,105,451
Cost of sales		785,607	770,031
Gross profit		312,622	335,420
Other operating expenses		172,191	176,597
OPERATING PROFIT		140,431	158,823
Interest payable	2	33,515	34,139
		106,916	124,684
Gift aid payment	3	60,000	79,684
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	46,916	45,000
Taxation	5	11,195	8,441
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION TO BE RETAINED	17	£ 35,721	£ 36,559
		=====	=====


The operating profit for the year arises from the company's continuing activities.

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account.

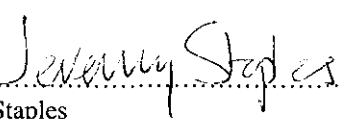
BALANCE SHEET
30 September 2004

	Notes	2004	2003
FIXED ASSETS			
Tangible assets	9	2,145,337	2,232,660
		<u> </u>	<u> </u>
CURRENT ASSETS			
Stocks	10	194,580	182,837
Debtors	11	125,982	141,482
Cash at bank & in hand	12	45,522	43,419
		<u>366,084</u>	<u>367,738</u>
CREDITORS			
Amounts falling due within one year	13	212,054	209,232
		<u> </u>	<u> </u>
NET CURRENT ASSETS		154,030	158,506
		<u> </u>	<u> </u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,299,367	2,391,166
		<u> </u>	<u> </u>
CREDITORS			
Amounts falling due after more than one year	14	385,000	440,000
		<u> </u>	<u> </u>
DEFERRED INCOME	15	1,732,586	1,805,106
		<u>£ 181,781</u>	<u>£ 146,060</u>
		<u>=====</u>	<u>=====</u>
CAPITAL & RESERVES			
Called up share capital	16	88,388	88,388
Profit & loss account	17	93,393	57,672
		<u> </u>	<u> </u>
EQUITY SHAREHOLDERS' FUNDS	18	£ 181,781	£ 146,060
		<u>=====</u>	<u>=====</u>

Approved by the board on 18 January 2005


 Director
 C A J Oliver-Bellasis

18 January 2005


 Director
 J E Staples

18 January 2005

Financial statements for the year ended 30 September 2004

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

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

TURNOVER

Turnover represents the invoiced value, net of Value Added Tax, of goods sold and services provided to customers.

GIFT AID PAYMENTS

The company donates its results for the year less profits to be retained for the purpose of its business to its charitable parent company, the National Rifle Association, by means of a gift aid payment.

PENSION CONTRIBUTIONS

The company makes contributions into money purchase pension schemes on behalf of certain of its employees. The assets of the schemes are held separately from those of the company, being invested with independent insurance companies.

The amount charged to the profit and loss account in respect of pension costs and other post retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

FOREIGN CURRENCIES

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated, but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Financial statements for the year ended 30 September 2004**ACCOUNTING POLICIES**

TANGIBLE FIXED ASSETS

Individual fixed assets costing more than £500 are capitalised at cost.

Fixed assets are written off over their estimated useful lives by depreciation through the profit and loss account on the following basis:

Long leasehold land	Over the period of the lease
Buildings	2% on cost or valuation
Plant & machinery	2%, 5% or 10% on cost or valuation
Fixtures, fittings & equipment	25% on cost

STOCKS

Stocks are valued at the lower of cost and net realisable value. Net realisable value is based upon estimated selling price less further costs expected to be incurred to disposal. Provision is made for obsolete and slow-moving items.

LEASED ASSETS & OBLIGATIONS

Where assets are financed by leasing agreements that give rights approximating to ownership ("finance leases"), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor.

Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the profit and loss account in proportion to the remaining balance outstanding.

All other leases are "operating leases" and the annual rentals are charged to profit and loss on a straight line basis over the lease term.

Rent free periods or other incentives received for entering into a lease are accounted for over the period of the lease so as to spread the benefit received over the lease term.

ACCOUNTING FOR GRANTS

Grants on capital expenditure are credited to a deferred income account, and are released to the profit and loss account by equal annual amounts over the expected useful life of the asset to which they relate.

Grants of a revenue nature are credited to income in the period to which they relate.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 September 2004

1. TURNOVER

The turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

	2004	2003
2. INTEREST PAYABLE		
Bank loans and overdrafts	816	77
Other loans	32,699	34,062
	<u>£ 33,515</u>	<u>£ 34,139</u>
	=====	=====

3. GIFT AID PAYMENT

Donation to the National Rifle Association	£ 60,000	£ 79,684
	=====	=====

4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

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

Depreciation of tangible fixed assets:

Owned assets	88,659	89,810
Amortisation of deferred income	(72,520)	(72,520)
Operating lease rentals:		
Land and buildings	36,000	36,000
Auditors' remuneration	3,000	2,000
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 September 2004

	2004	2003
5. TAXATION		
Domestic current year tax:		
UK corporation tax	10,846	9,500
Under/(over) provided in earlier years	349	(1,059)
	<u> </u>	<u> </u>
Current tax charge	£ 11,195	£ 8,441
	<u> </u>	<u> </u>
Factors affecting the tax charge for the year:		
Profit on ordinary activities before taxation	46,916	45,000
	<u> </u>	<u> </u>
Profit on ordinary activities before taxation multiplied by the relevant rate of UK corporation tax of 19% (2003: 19%)	8,914	8,550
Effects of:		
Non-deductible expenses	1,390	1,456
Short-term timing differences	542	(157)
Under/(over) provided in earlier years	349	(1,059)
Other differences	-	(349)
	<u> </u>	<u> </u>
	2,281	(109)
	<u> </u>	<u> </u>
Current tax charge	£ 11,195	£ 8,441
	<u> </u>	<u> </u>

At the balance sheet date, the company had an unrecognised deferred tax liability in respect of capital allowances in excess of depreciation on qualifying assets. This deferred tax liability, which on the basis of a tax rate of 19% amounted to £1,006 (2003: £1,548), had not been recognised on the grounds of immateriality.

	2004	2003
6. EMPLOYEES		
	No.	No.
The average monthly number of persons (including directors) employed by the company during the year:		
Office and maintenance	12	11
	<u> </u>	<u> </u>
Staff costs for the above persons:		
Wages and salaries	298,448	267,052
Social security costs	24,867	22,315
Other pension costs	12,417	9,953
Other benefits	2,957	1,963
	<u> </u>	<u> </u>
	£ 338,689	£ 301,283
	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 September 2004

7. PENSION COMMITMENTS

The company pays an employer's contribution of 5% of basic salary into the personal pension funds of certain of its employees, and contracted in national insurance contributions are paid in respect of all staff, except non-executive directors.

	2004	2003
8. DIRECTORS' REMUNERATION		
Aggregate emoluments:		
Salaries	63,255	56,993
Fees	-	8,367
Medical insurance	902	446
	<u>64,157</u>	<u>65,806</u>
Pension contributions	4,099	2,850
	<u>£ 68,256</u>	<u>£ 68,656</u>
	=====	=====

Retirement benefits are accruing to two (2003: two) directors under money purchase pension schemes.

9. TANGIBLE FIXED ASSETS

	Long leasehold buildings	Plant & machinery	Fixtures, fittings & equipment	TOTAL
Cost:				
1 October 2003	382,950	2,012,706	39,825	2,435,481
Additions	-	1,336	-	1,336
30 September 2004	<u>382,950</u>	<u>2,014,042</u>	<u>39,825</u>	<u>2,436,817</u>
Depreciation:				
1 October 2003	17,221	160,517	25,083	202,821
Charge for the year	7,659	72,498	8,502	88,659
30 September 2004	<u>24,880</u>	<u>233,015</u>	<u>33,585</u>	<u>291,480</u>
Net book value:				
30 September 2004	<u>358,070</u>	<u>1,781,027</u>	<u>6,240</u>	<u>£ 2,145,337</u>
	=====	=====	=====	=====
30 September 2003	<u>365,729</u>	<u>1,852,189</u>	<u>14,742</u>	<u>£ 2,232,660</u>
	=====	=====	=====	=====

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 September 2004

	2004	2003
10. STOCKS		
Ammunition	124,657	113,900
Souvenirs	8,230	8,266
Target materials	26,858	27,408
Clays	9,596	8,852
Rifles and other	25,239	24,411
	<u>£ 194,580</u>	<u>£ 182,837</u>
	=====	=====
11. DEBTORS		
Due within one year:		
Trade debtors	69,114	72,841
Amounts owed by group undertakings	56,868	68,641
	<u>£ 125,982</u>	<u>£ 141,482</u>
	=====	=====
12. CASH AT BANK & IN HAND		
Operating account	-	11,510
Collection account	25,687	14,334
Cash in hand	19,835	17,575
	<u>£ 45,522</u>	<u>£ 43,419</u>
	=====	=====
13. CREDITORS		
Amounts falling due within one year:		
Bank overdraft	1,119	-
Trade creditors	27,390	29,470
Amounts owed to group undertakings (note 14)	55,000	55,000
Corporation tax	10,846	9,500
Other taxes and social security costs	36,649	30,193
Other creditors	6,953	6,953
Accruals	1,577	5,596
Deferred income (note 15)	72,520	72,520
	<u>£ 212,054</u>	<u>£ 209,232</u>
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 September 2004

	2004	2003
14. CREDITORS		
Amounts falling due after more than one year:		
Amounts owed to group undertakings:		
Repayable by instalments:		
Due within one year (note 13)	55,000	55,000
Due after more than one year:		
Due in one to two years	55,000	55,000
Due in two to five years	165,000	165,000
Due after more than five years	165,000	220,000
	<u>385,000</u>	<u>440,000</u>
	<u>£ 440,000</u>	<u>£ 495,000</u>
	=====	=====

The above amounts owed to group undertakings represent a loan from the company's charitable parent. Interest at the rate of 2.5% over the Barclays Bank base rate is payable annually on the loan. The loan is repayable by annual instalments of £55,000, and is secured by way of a second legal charge over all the assets of the company.

	2004	2003
15. DEFERRED INCOME		
Claim under Lottery Grant:		
At 1 October 2003	1,877,626	1,950,146
Amortisation for the year	(72,520)	(72,520)
At 30 September 2004	<u>£ 1,805,106</u>	<u>£ 1,877,626</u>
	=====	=====
Due within one year (note 13)	72,520	72,520
Due after more than one year	1,732,586	1,805,106
At 30 September 2004	<u>£ 1,805,106</u>	<u>£ 1,877,626</u>
	=====	=====

On 10 July 2000, a debenture was created in favour of The English Sports Council, representing a fixed and floating charge over all the assets of the company, against the performance of the company's obligations under the Lottery Fund Agreement.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 September 2004

	2004	2003
16. SHARE CAPITAL		
Authorised:		
100,000 ordinary shares of £1 each	£ 100,000	£ 100,000
	=====	=====
Allotted, issued and fully paid:		
88,388 ordinary shares of £1 each	£ 88,388	£ 88,388
	=====	=====
17. PROFIT & LOSS ACCOUNT		
1 October 2003	57,672	21,113
Profit for the year	35,721	36,559
	=====	=====
30 September 2004	£ 93,393	£ 57,672
	=====	=====
18. RECONCILIATION OF MOVEMENT IN EQUITY SHAREHOLDERS' FUNDS		
Profit for the financial year	35,721	36,559
Opening shareholders' funds	146,060	109,501
	=====	=====
Closing shareholders' funds	£ 181,781	£ 146,060
	=====	=====
19. COMMITMENTS UNDER OPERATING LEASES		
At 30 September 2004, the company had annual commitments under non-cancellable operating leases as follows:		
Land and buildings:		
Expiring after more than five years	£ 16,000	£ 16,000
	=====	=====

20. CONTROLLING PARTY

The company's immediate and ultimate parent and controlling party is the charity, the National Rifle Association, which owns the entire share capital, and which is incorporated under Royal Charter and registered as a charity in England. Copies of the group accounts can be obtained upon application to this company's registered office address.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 September 2004

23. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemptions provided by Financial Reporting Standard Number 8: Related Party Disclosures, and has not disclosed transactions with fellow group undertakings, where more than 90% of the voting rights are controlled within the group, on the grounds that group accounts are publicly available.