

**FIROKA (OXFORD UNITED STADIUM) LIMITED**

**ANNUAL REPORT**

**YEAR ENDED 4 JULY 2002**

**PKF**



**FIROKA (OXFORD UNITED STADIUM) LIMITED**  
**(Registered Number 03716040)**  
**ANNUAL REPORT**  
**YEAR ENDED 4 JULY 2002**

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**FIROKA (OXFORD UNITED STADIUM) LIMITED  
DIRECTORS, OFFICERS AND REGISTERED OFFICE**

**DIRECTORS**

F A Kassam  
A Lowry  
A D Tawakley

**SECRETARY**

A Lowry

**AUDITORS**

PKF  
New Garden House  
78 Hatton Garden  
London EC1N 8JA

**REGISTERED OFFICE**

1 Kings Cross Road  
London  
WC1X 9HX

**FIROKA (OXFORD UNITED STADIUM) LIMITED  
DIRECTORS' REPORT**

The directors present their report for the year ended 4 July 2002.

**PRINCIPAL ACTIVITY**

The principal activities of the company are the operation of a football stadium and a conference and exhibition centre.

**RESULTS AND REVIEW OF THE BUSINESS**

In the first year of operations the company achieved a turnover of £1.310M with an operating profit of £0.215M.

The directors look forward to building upon and substantially increasing the business in the coming year.

**FUTURE DEVELOPMENTS**

With the completion of an Express by Holiday Inn hotel next to the stadium the directors look forward to growth in the conference business.

**DIRECTORS**

The directors holding office during the year were as follows:

F A Kassam  
A Lowry  
A D Tawakley

Mr Kassam controls the entire share capital of the ultimate holding company, Firoka (London Park) Limited.

**AUDITORS**

PKF is eligible for re-appointment as auditor to the company and a resolution proposing its re-appointment will be proposed at the AGM.

BY ORDER OF THE BOARD

Date: 11<sup>th</sup> November 2002



**A LOWRY**  
Secretary

**FIROKA (OXFORD UNITED STADIUM) 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 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;
- 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for ensuring that the directors' report and other information included in the financial statements is prepared in accordance with company law in the United Kingdom.

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF  
FIROKA (OXFORD UNITED STADIUM) LIMITED**

We have audited the financial statements of Firoka (Oxford United Stadium) Limited for the year ended 4 July 2002 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

**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 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 affairs of the company as at 4 July 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

London  
United Kingdom

*PKF*

PKF  
Registered Auditors

*18 November* 2002

**FIROKA (OXFORD UNITED STADIUM) LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 4 JULY 2002**

	<u>Notes</u>	<u>2002</u> £	<u>2001</u> £
Turnover	2	1,309,751	-
Cost of sales		(390,283)	-
		<hr/> 919,468	<hr/> -
Administrative expenses		(809,074)	(1,685)
Other operating income	3	104,600	-
		<hr/> 214,994	<hr/> (1,685)
Operating profit/(loss)	4		
Interest receivable and similar income		12,108	7,207
Interest payable and similar charges	5	(16,642)	(142)
		<hr/> 210,460	<hr/> 5,380
Profit for the financial year before tax			
Tax on profit on ordinary activities	7	(71,014)	(1,614)
		<hr/> 139,446	<hr/> 3,766
Retained profit for the year		<hr/> <hr/> 139,446	<hr/> <hr/> 3,766

All amounts relate to continuing operations.

There were no recognised gains or losses for the year other than those included in the profit and loss account.

**FIROKA (OXFORD UNITED STADIUM) LIMITED**  
**BALANCE SHEET**  
**4 JULY 2002**

	<u>Notes</u>	<u>£</u>	<u>2002</u> <u>£</u>	<u>£</u>	<u>2001</u> <u>£</u>
<b>FIXED ASSETS</b>					
Tangible fixed assets	8		11,562,221		9,364,311
<b>CURRENT ASSETS</b>					
Stock	9	16,720		-	
Debtors	10	430,759		862,859	
Cash at bank and in hand		262,428		29,497	
			<u>709,907</u>	<u>892,356</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	11	(1,179,444)		(1,835,001)	
			<u>(469,537)</u>	<u>(942,645)</u>	
<b>NET CURRENT LIABILITIES</b>					
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
			11,092,684		8,421,666
<b>CREDITORS</b>					
Amounts falling due after one year	11		(10,878,358)		(8,417,800)
<b>PROVISION FOR LIABILITIES AND CHARGES</b>					
Deferred taxation	13		(71,014)		-
			<u>143,312</u>	<u>3,866</u>	
<b>CAPITAL AND RESERVES</b>					
Called up share capital	14		100		100
Profit and loss account	15		143,212		3,766
			<u>143,312</u>	<u>3,866</u>	
<b>SHAREHOLDER'S FUNDS</b>					
	16				

Approved by the board on 11<sup>th</sup> November 2002.

  
**F A KASSAM**

Director



**FIROKA (OXFORD UNITED STADIUM) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 4 JULY 2002**

**1 ACCOUNTING POLICIES**

**(a) Accounting convention**

The financial statements are prepared under the historical cost convention and are prepared in accordance with applicable accounting standards. The company is dependent on the financial support of its ultimate parent company, Firoka (London Park) Limited. The directors of the ultimate parent have indicated that such support will be forthcoming and on this basis these financial statements are prepared on the going concern basis.

**(b) Turnover**

Turnover represents net invoiced sales of goods and services excluding value added tax.

**(c) Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives once the assets are brought into use.

Freehold buildings	2%
Plant, machinery, fixtures and fittings	10%

Freehold land is not depreciated.

**(d) Grants**

Grants received in respect of capital expenditure are treated as deferred income and released to profit evenly over the life of the fixed asset to which they relate.

**(e) Deferred tax**

Deferred tax is provided on material timing differences between the incidence of income and expenditure for taxation and accounts purposes using a full provision basis. No provision is made in respect of gains on sale of assets rolled over into replacement assets.

**(f) Stocks**

Stock of goods for resale is valued at the lower of cost and net realisable value.

**2 TURNOVER**

Turnover is attributable to the company's continuing principal activities and arose in the United Kingdom.

**3 OTHER OPERATING INCOME**

	<u>2002</u> £	<u>2001</u> £
Release of grant income	104,600	-

**4 OPERATING PROFIT/(LOSS)**

	<u>2002</u> £	<u>2001</u> £
Stated after charging:		
Auditors remuneration	4,000	1,500
Depreciation	429,282	-

No directors received any emoluments (2001: £Nil).

**FIROKA (OXFORD UNITED STADIUM) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 4 JULY 2002**

<b>5</b>	<b>INTEREST PAYABLE AND SIMILAR CHARGES</b>	<u><b>2002</b></u> <b>£</b>	<u><b>2001</b></u> <b>£</b>
	Bank loans and overdrafts	16,642	142
		<hr/>	<hr/>
<b>6</b>	<b>STAFF COSTS</b>		
	Wages and salaries	165,774	-
	Social security costs	13,593	-
		<hr/>	<hr/>
		<b>No.</b>	<b>No.</b>
	Number of employees during the year	15	-
		<hr/>	<hr/>
<b>7</b>	<b>TAX ON PROFIT ON ORDINARY ACTIVITIES</b>	<b>£</b>	<b>£</b>
	<b>Analysis of charge for the year</b>		
	Current tax		
	UK corporation tax on profits for the year	-	1,614
	Deferred tax:		
	Origination and reversal of timing differences	71,014	-
		<hr/>	<hr/>
	Total tax charge	71,014	1,614
		<hr/>	<hr/>
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before tax	105,860	5,380
	Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30%	31,758	1,614
	Effects of:		
	Expenses not deductible for tax purposes	1,500	-
	Capital allowances in excess of depreciation	3,771	-
	Trading losses carried forward	(37,029)	-
		<hr/>	<hr/>
	Current tax charge	-	1,614
		<hr/>	<hr/>

**Factors that may affect future tax charges**

The company expects to continue to claim capital allowances in excess of depreciation for the next few years and so the deferred tax balance will continue to increase.

**FIROKA (OXFORD UNITED STADIUM) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 4 JULY 2002**

**8 TANGIBLE FIXED ASSETS**

	<u>Freehold Land and buildings</u> £	<u>Plant and machinery</u> £	<u>Fixtures, fittings, tools and equipment</u> £	<u>Total</u> £
<b>Cost</b>				
At 1 July 2001	6,956,156	2,332,000	76,155	9,364,311
Additions	2,338,174	-	289,018	2,627,192
	<hr/>	<hr/>	<hr/>	<hr/>
At 4 July 2002	9,294,330	2,332,000	365,173	11,991,503
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>				
Charge for year	159,565	233,200	36,517	429,282
	<hr/>	<hr/>	<hr/>	<hr/>
At 4 July 2002	159,565	233,200	36,517	429,282
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net book value</b>				
At 4 July 2002	9,134,765	2,098,800	328,656	11,562,221
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 2001	6,956,156	2,332,000	76,155	9,364,311
	<hr/>	<hr/>	<hr/>	<hr/>

**9 STOCKS**

	<u>2002</u> £	<u>2001</u> £
Consumables	16,720	-
	<hr/>	<hr/>

**10 DEBTORS**

<b>Due within one year</b>		
Trade debtors	257,778	-
Amounts due from group undertakings	172,700	407,536
Other debtors	281	455,323
	<hr/>	<hr/>
	430,759	862,859
	<hr/>	<hr/>

Amounts due from group undertakings are £169,200 receivable from Firoka (Oxford) Limited, the immediate parent company, and £3,500 due from Oxford United Football Club Limited, a fellow subsidiary company.

**FIROKA (OXFORD UNITED STADIUM) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 4 JULY 2002**

11 CREDITORS	<u>2002</u> £	<u>2001</u> £
Amounts falling due within one year		
Bank loans (note 11)	82,937	-
Deferred grant income	-	57,200
Trade creditors	200,411	-
Corporation tax	-	1,614
Taxation and social security	13,616	-
Amounts due to group undertakings	56,519	-
Other creditors	-	31,285
Accruals and other deferred income	825,961	1,744,902
	<hr/> 1,179,444 <hr/>	<hr/> 1,835,001 <hr/>
Amounts falling due after one year		
Bank loans (note 11)	6,667,063	-
Deferred grant income	2,540,800	1,372,800
Amounts due to group undertakings	1,670,495	7,045,000
	<hr/> 10,878,358 <hr/>	<hr/> 8,417,800 <hr/>

Amounts due from group undertakings are comprised of £1,467,918 (2001: £5,070,000) due to Firoka (Kings Cross) Limited, a company under common control, £34,790 (2001: £1,475,000) due to Firoka (London Park), the ultimate parent company, £186,144 (2001: £500,000) due to Oxford United Football Club Limited, a fellow subsidiary company and £38,161 (2001: £nil) due to Firoka (Oxford Hotels) Limited, a fellow subsidiary.

12 BANK LOANS	£
Due within one year	82,937
Due between two and five years	2,342,705
Due after more than five years	4,324,358
	<hr/> 6,750,000 <hr/>

The bank loan is secured by a fixed charge over the company's freehold property. The loan is due for repayment by 13 June 2012 and attracts interest at a rate of 0.85% above base rate.

A cross guarantee exists as security for the bank loan with Firoka (Kings Cross) Limited, a company under common control.

13 DEFERRED TAX	£
Accelerated capital allowances	
At 1 July 2001	-
Charged to profit and loss (note 6)	71,014
	<hr/>
At 4 July 2002	71,014 <hr/>

**FIROKA (OXFORD UNITED STADIUM) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 4 JULY 2002**

<b>14</b>	<b>CALLED UP SHARE CAPITAL</b>	<u><b>2002</b></u> <b>£</b>	<u><b>2001</b></u> <b>£</b>
	Authorised 1,000 Ordinary shares of £1 each	<u><b>1,000</b></u>	<u><b>1,000</b></u>
	Allotted and fully paid Ordinary shares of £1 each	<u><b>100</b></u>	<u><b>100</b></u>
<b>15</b>	<b>RESERVES</b>		
	Profit and loss account		
	At 1 July 2001	<b>3,766</b>	
	Profit for the year	<b>139,446</b>	
		<u>          </u>	
	At 4 July 2002	<u><b>143,212</b></u>	
<b>16</b>	<b>SHAREHOLDERS' FUNDS</b>		
	Shareholders' funds at 1 July 2001	<b>3,866</b>	<b>100</b>
	Profit for the year	<b>139,446</b>	<b>3,766</b>
		<u>          </u>	<u>          </u>
	Shareholders' funds at 4 July 2002	<u><b>143,312</b></u>	<u><b>3,866</b></u>
<b>17</b>	<b>RELATED PARTIES</b>		
	During the year the company received rent of £230,769 and £103,624 relating to recovery of overheads from Oxford United Football Club Limited a fellow subsidiary company. These amounts are included within the reported turnover figure.		
<b>18</b>	<b>PARENT UNDERTAKING</b>		
	The company is a wholly owned subsidiary of Firoka (Oxford) Limited, a company incorporated in England and Wales. The ultimate parent company is Firoka (London Park) Limited, a company registered in Jersey. The ultimate controlling party is Mr F A Kassam.		