

Company Registration No. 155145 (Scotland)

Garioch Sports Limited

Directors' Report and Financial Statements

For The Year Ended 31 December 2003



GARIOCH SPORTS LIMITED

COMPANY INFORMATION

| | | |
|--------------------------|----------------------------------------------------------------------|-----------------------------|
| Directors | William K Lippe | |
| | Trevor Adams | (Appointed 1 December 2003) |
| | Alan Robertson | (Appointed 1 December 2003) |
| Secretary | Trevor Adams | |
| Company number | 155145 | |
| Registered office | 30 West High Street Inverurie AB51 3QR | |
| Accountants | Johnston Carmichael 30 West High Street Inverurie AB51 3QR | |
| Bankers | Bank of Scotland Garioch Centre Inverurie AB51 4SB | |
| Solicitors | Taggart Meil Mathers 20 Bon Accord Square Aberdeen AB11 6DJ | |

GARIOCH SPORTS LIMITED

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GARIOCH SPORTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2003

The directors present their report and financial statements for the year ended 31 December 2003.

Principal activities

The principal activity of the company continued to be that of management of sports facilities.

Directors

The following directors have held office since 1 January 2003:

| | |
|-----------------|-----------------------------|
| William K Lippe | |
| Karen M Coutts | (Resigned 1 December 2003) |
| Jackie Ramage | (Resigned 1 December 2003) |
| Trevor Adams | (Appointed 1 December 2003) |
| Alan Robertson | (Appointed 1 December 2003) |

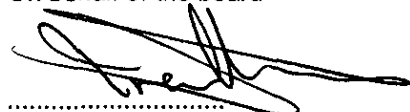
Directors' interests

The directors' interests in the shares of the company were as stated below:

| | Ordinary shares of £ 1 each | |
|-----------------|-----------------------------|----------------|
| | 31 December 2003 | 1 January 2003 |
| William K Lippe | 1 | 1 |
| Trevor Adams | - | - |
| Alan Robertson | - | - |

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board



Trevor Adams

Director

26 May 2004

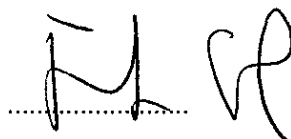
GARIOCH SPORTS LIMITED

ACCOUNTANTS' REPORT TO THE DIRECTORS ON THE UNAUDITED ACCOUNTS OF GARIOCH SPORTS LIMITED

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31 December 2003, set out on pages 3 to 6 and you consider that the company is exempt from an audit. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities from the accounting records and information and explanations supplied to us.

Johnston Carmichael

Chartered Accountants



30 West High Street
Inverurie
AB51 3QR

27 May 2004

GARIOCH SPORTS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2003

| | Notes | 2003 £ | 2002 £ |
|------------------------------------------------------|-------|-----------|-----------|
| Turnover | | 333,454 | 309,020 |
| Cost of sales | | (31,004) | (27,646) |
| Gross profit | | 302,450 | 281,374 |
| Administrative expenses | | (299,975) | (266,547) |
| Operating profit | | 2,475 | 14,827 |
| Other interest receivable and similar income | | 255 | 273 |
| Profit on ordinary activities before taxation | | 2,730 | 15,100 |
| Tax on profit on ordinary activities | | - | - |
| Profit on ordinary activities after taxation | 5 | 2,730 | 15,100 |

GARIOCH SPORTS LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2003


| | Notes | 2003 £ | £ | 2002 £ | £ |
|-------------------------------------------------------|-------|-----------------|-------------|-----------------|----------------|
| Current assets | | | | | |
| Stocks | | 2,681 | | 2,365 | |
| Debtors | 2 | 9,112 | | 8,884 | |
| Cash at bank and in hand | | 11,930 | | 4,703 | |
| | | <u>23,723</u> | | <u>15,952</u> | |
| Creditors: amounts falling due within one year | 3 | <u>(23,734)</u> | | <u>(18,693)</u> | |
| Total assets less current liabilities | | | <u>(11)</u> | | <u>(2,741)</u> |
| Capital and reserves | | | | | |
| Called up share capital | 4 | | 6 | | 6 |
| Profit and loss account | 5 | | <u>(17)</u> | | <u>(2,747)</u> |
| Shareholders' deficit | | | <u>(11)</u> | | <u>(2,741)</u> |

In preparing these financial statements:

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - (ii) preparing accounts 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 its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The financial statements were approved by the Board on 26 May 2004



Trevor Adams
Director

GARIOCH SPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Stock

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

1.4 Deferred taxation

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or 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 inclusion of items of income and expenditure in taxation computations in periods 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 they will be recovered. Deferred tax assets and liabilities are not discounted.

This change in the accounting policy has no effect on the results of the prior period.

1.5 Going Concern

The directors consider that the going concern basis is appropriate as the company will continue to benefit from the financial support of Garioch Sports Trust.

| 2 Debtors | 2003 £ | 2002 £ |
|---------------|--------------|--------------|
| Trade debtors | 1,863 | 6,778 |
| Other debtors | 7,249 | 2,106 |
| | <u>9,112</u> | <u>8,884</u> |

| 3 Creditors: amounts falling due within one year | 2003 £ | 2002 £ |
|--------------------------------------------------|---------------|---------------|
| Trade creditors | 7,065 | 7,929 |
| Taxation and social security | 2,187 | 3,054 |
| Other creditors | 14,482 | 7,710 |
| | <u>23,734</u> | <u>18,693</u> |

GARIOCH SPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2003

| 4 | Share capital | 2003 £ | 2002 £ |
|---|-------------------------------------------|-------------------|-------------------|
| | Authorised | | |
| | 100,000 Ordinary shares of £1 each | 100,000 | 100,000 |
| | | <u> </u> | <u> </u> |
| | Allotted, called up and fully paid | | |
| | 6 Ordinary shares of £1 each | 6 | 6 |
| | | <u> </u> | <u> </u> |

| 5 | Statement of movements on profit and loss account | Profit and loss account £ |
|---|---------------------------------------------------|------------------------------------|
| | Balance at 1 January 2003 | (2,747) |
| | Retained profit for the year | 2,730 |
| | | <u> </u> |
| | Balance at 31 December 2003 | (17) |
| | | <u> </u> |

6 Financial commitments

At 31 December 2003 the company had annual commitments under non-cancellable operating leases as follows:

| | 2003 £ | 2002 £ |
|--------------|-------------------|-------------------|
| Expiry date: | <u> </u> | <u> </u> |

7 Control

The company is not under the control of any of the shareholders.

8 Related party transactions

During the year, the company was involved in transactions with Garioch Sports Trust, which owns 2 of the 6 shares of Garioch Sports Limited. The transactions were for the rent of the Sports Centre and amounted to £47,940 (2002 - £47,000). At the end of the year the company owed the Trust £nil (2002 - £2,560).