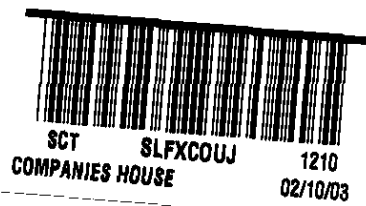


Garioch Sports Limited

Directors' Report and Financial Statements

For The Year Ended 31 December 2002



GARIOCH SPORTS LIMITED

COMPANY INFORMATION

Directors	William K Lippe Karen M Coutts Jackie Ramage
Secretary	Karen M Coutts
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

CONTENTS

	Page
Directors' report	1
Accountants' report	2
Profit and loss account	3
Balance sheet	4
Notes to the financial statements	5 - 6

GARIOCH SPORTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2002

The directors present their report and financial statements for the year ended 31 December 2002.

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 2002:

William K Lippe
Karen M Coutts
Jackie Ramage

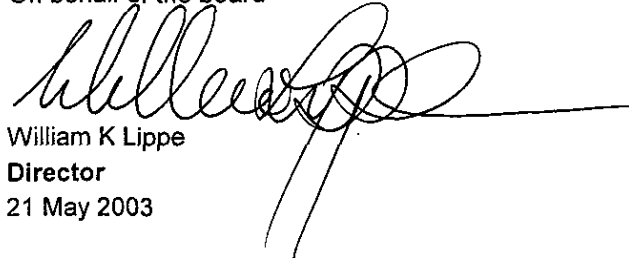
Directors' interests

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

	Ordinary shares of £ 1 each	
	31 December 2002	1 January 2002
William K Lippe	1	1
Karen M Coutts	1	1
Jackie Ramage	1	1

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



William K Lippe
Director
21 May 2003

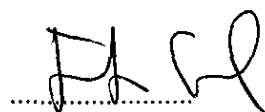
GARIOCH SPORTS LIMITED

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 2002, 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

30 September 2003

GARIOCH SPORTS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2002

	Notes	2002 £	2001 £
Turnover		309,020	261,324
Cost of sales		(27,646)	(16,856)
Gross profit		281,374	244,468
Administrative expenses		(266,547)	(259,237)
Operating profit/(loss)		14,827	(14,769)
Other interest receivable and similar income		273	-
Profit/(loss) on ordinary activities before taxation		15,100	(14,769)
Tax on profit/(loss) on ordinary activities		-	-
Profit/(loss) on ordinary activities after taxation	5	15,100	(14,769)

GARIOCH SPORTS LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2002

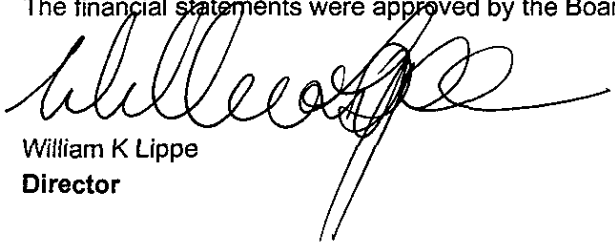
	Notes	2002 £	£	2001 £	£
Current assets					
Stocks		2,365		2,842	
Debtors	2	8,884		12,936	
Cash at bank and in hand		4,703		8,168	
		<u>15,952</u>		<u>23,946</u>	
Creditors: amounts falling due within one year	3	<u>(18,693)</u>		<u>(41,787)</u>	
Total assets less current liabilities			<u>(2,741)</u>		<u>(17,841)</u>
Capital and reserves					
Called up share capital	4		6		6
Profit and loss account	5		<u>(2,747)</u>		<u>(17,847)</u>
Shareholders' deficit			<u>(2,741)</u>		<u>(17,841)</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 21 May 2003


William K Lippe
Director

GARIOCH SPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2002

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	2002 £	2001 £
Trade debtors	6,778	8,037
Other debtors	2,106	4,899
	<u>8,884</u>	<u>12,936</u>

3 Creditors: amounts falling due within one year	2002 £	2001 £
Trade creditors	7,929	33,673
Taxation and social security	3,054	2,671
Other creditors	7,710	5,443
	<u>18,693</u>	<u>41,787</u>

GARIOCH SPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2002

4	Share capital	2002 £	2001 £
	Authorised		
	100,000 Ordinary shares of £ 1 each	100,000	100,000
	Allotted, called up and fully paid		
	6 Ordinary shares of £ 1 each	6	6

5	Statement of movements on profit and loss account	Profit and loss account £
	Balance at 1 January 2002	(17,847)
	Retained profit for the year	15,100
	Balance at 31 December 2002	(2,747)

6 Control

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

7 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 £47,000 (2001 - £46,217). At the end of the year the company owed the Trust £2,560 (2001 - £19,583).