

Company Registration No. 2340896 (England and Wales)

**A M ADAMS HOLDINGS LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2000**



# A M ADAMS HOLDINGS LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	A M Adams	
	D A Adams	
	D G Adams	
	S D Adams	
	J A Adams	(Appointed 8 February 2000)
<b>Secretary</b>	S D Adams	
<b>Company number</b>	2340896	
<b>Registered office</b>	Fishleigh Road Roundswell Business Park Barnstaple Devon	
<b>Auditors</b>	Robson Taylor 7 Queen Square Bristol BS1 4JE	
<b>Bankers</b>	National Westminster Bank plc 41 High Street Barnstaple EX31 1DA	

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# A M ADAMS HOLDINGS LIMITED

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# A M ADAMS HOLDINGS LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 OCTOBER 2000

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The directors present their report and financial statements for the year ended 31 October 2000.

### Principal activities and review of the business

The principal activity of the company continued to be that of the provision of management services to group companies.

### Results and dividends

The results for the year are set out on page 4.

An interim ordinary dividend was paid amounting to £12,000. The directors do not recommend payment of a final dividend.

### Directors

The following directors have held office since 1 November 1999:

A M Adams	
D A Adams	
D G Adams	
S D Adams	
J A Adams	(Appointed 8 February 2000)

### Directors' interests

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

	Ordinary shares of £ 1 each	
	31 October 2000	1 November 1999
A M Adams	26	26
D A Adams	26	26
D G Adams	16	16
S D Adams	16	16
J A Adams	16	16

### Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Robson Taylor be reappointed as auditors of the company will be put to the Annual General Meeting.

# A M ADAMS HOLDINGS LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 OCTOBER 2000

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### 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 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 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.

On behalf of the Board



D A Adams

Director

..... 26 August 2001

# A M ADAMS HOLDINGS LIMITED

## AUDITORS' REPORT TO THE SHAREHOLDERS OF A M ADAMS HOLDINGS LIMITED

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We have audited the financial statements on pages 4 to 14 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

### Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

### 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.

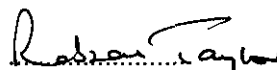
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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 as at 31 October 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

**Robson Taylor**

Chartered Accountants  
**Registered Auditor**



7 Queen Square  
Bristol  
BS1 4JE

28 August 2001

# A M ADAMS HOLDINGS LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 OCTOBER 2000

	Notes	2000 £	1999 £
Turnover	2	1,052,473	981,068
Cost of sales		(912,716)	(842,132)
<b>Gross profit</b>		139,757	138,936
Administrative expenses		(81,540)	(81,794)
<b>Operating profit</b>	3	58,217	57,142
Investment income	4	205,260	-
Interest payable and similar charges	5	(829)	(1,609)
<b>Profit on ordinary activities before taxation</b>		262,648	55,533
Tax on profit on ordinary activities	6	(16,908)	(14,549)
<b>Profit on ordinary activities after taxation</b>		245,740	40,984
Dividends	7	(12,000)	(33,334)
<b>Retained profit for the year</b>	14	233,740	7,650

The profit and loss account has been prepared on the basis that all operations are continuing operations.

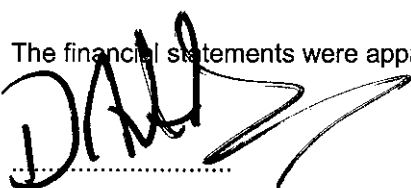
There are no recognised gains and losses other than those passing through the profit and loss account.

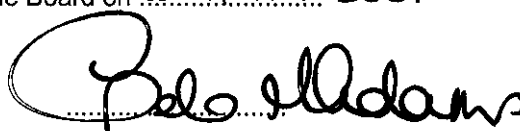
# A M ADAMS HOLDINGS LIMITED

## BALANCE SHEET AS AT 31 OCTOBER 2000

	Notes	2000 £	£	1999 £	£
<b>Fixed assets</b>					
Tangible assets	8		52,584		49,538
Investments	9		300		300
			<u>52,884</u>		<u>49,838</u>
<b>Current assets</b>					
Debtors	10	383,837		223,115	
Cash at bank and in hand		147,287		51,727	
		<u>531,124</u>		<u>274,842</u>	
<b>Creditors: amounts falling due within one year</b>	11	<u>(94,455)</u>		<u>(65,568)</u>	
<b>Net current assets</b>			<u>436,669</u>		<u>209,274</u>
<b>Total assets less current liabilities</b>			<u>489,553</u>		<u>259,112</u>
<b>Creditors: amounts falling due after more than one year</b>	12		<u>(2,474)</u>		<u>(5,773)</u>
			<u>487,079</u>		<u>253,339</u>
<b>Capital and reserves</b>					
Called up share capital	13		100		100
Profit and loss account	14		486,979		253,239
<b>Shareholders' funds - equity interests</b>	15		<u>487,079</u>		<u>253,339</u>

The financial statements were approved by the Board on 26 August 2001

  
D A Adams  
Director

  
A M Adams  
Director



# A M ADAMS HOLDINGS LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 OCTOBER 2000

	2000 £	1999 £
<b>Net cash inflow from operating activities</b>	171,864	135,397
<b>Returns on investments and servicing of finance</b>		
Interest paid	(829)	(1,609)
<b>Taxation</b>	(16,968)	(317)
<b>Capital expenditure</b>		
Payments to acquire tangible assets	(43,209)	(21,877)
Receipts from sales of tangible assets	1	-
<b>Net cash outflow for capital expenditure</b>	(43,208)	(21,877)
<b>Equity dividends paid</b>	(12,000)	(33,334)
<b>Net cash inflow before management of liquid resources and financing</b>	98,859	78,260
<b>Financing</b>		
Repayment of other loans	-	(1,148)
Capital element of hire purchase contracts	(3,299)	(3,300)
<b>Net cash outflow from financing</b>	(3,299)	(4,448)
<b>Increase in cash in the year</b>	95,560	73,812

# A M ADAMS HOLDINGS LIMITED

## NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 OCTOBER 2000

1	Reconciliation of operating profit to net cash inflow from operating activities		2000	1999
			£	£
	Operating profit		58,217	57,142
	Depreciation of tangible assets		40,163	47,468
	Profit on disposal of tangible assets		(1)	-
	Increase in debtors		44,538	(3,462)
	Increase in creditors within one year		28,947	34,249
	Net cash inflow from operating activities		171,864	135,397

2	Analysis of net funds	1 November 1999	Cash flow	Other non-cash changes	31 October 2000
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	51,727	95,560	-	147,287
	Debt:				
	Finance leases	(9,072)	3,299	-	(5,773)
	Net funds	42,655	98,859	-	141,514

3	Reconciliation of net cash flow to movement in net funds	2000	1999
		£	£
	Increase in cash in the year	95,560	73,812
	Cash outflow from decrease in debt and lease financing	3,299	4,448
	Movement in net funds in the year	98,859	78,260
	Opening net funds/(debt)	42,655	(35,605)
	Closing net funds	141,514	42,655

# A M ADAMS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2000

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

#### 1.2 Turnover

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

#### 1.3 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 less estimated residual value of each asset over its expected useful life, as follows:

Plant and equipment	10% Reducing Balance
Fixtures, Fittings & Office Equipment	20% to 25% Straight Line
Motor vehicles	20% Straight line

#### 1.4 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

#### 1.5 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

#### 1.6 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

#### 1.7 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertakings comprise a medium-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

### 2 Turnover

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

3 Operating profit	2000	1999
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	40,163	47,468
Auditors' remuneration	2,000	1,800
	<u>          </u>	<u>          </u>

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# A M ADAMS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2000

<b>4</b>	<b>Investment income</b>	<b>2000</b>	<b>1999</b>
		<b>£</b>	<b>£</b>
	Income from shares in group undertakings	205,260	-
		<u>205,260</u>	<u>-</u>
<b>5</b>	<b>Interest payable</b>	<b>2000</b>	<b>1999</b>
		<b>£</b>	<b>£</b>
	Hire purchase interest	829	829
	Bank interest payable	-	780
		<u>829</u>	<u>1,609</u>
		<u>829</u>	<u>1,609</u>
<b>6</b>	<b>Taxation</b>	<b>2000</b>	<b>1999</b>
		<b>£</b>	<b>£</b>
	<b>U.K. current year taxation</b>		
	U.K. corporation tax at 20% (1999 - 20%)	15,994	16,053
	Deferred taxation	-	(1,365)
		<u>15,994</u>	<u>14,688</u>
	<b>Prior years</b>		
	U.K. corporation tax	914	(139)
		<u>16,908</u>	<u>14,549</u>
		<u>16,908</u>	<u>14,549</u>
<b>7</b>	<b>Dividends</b>	<b>2000</b>	<b>1999</b>
		<b>£</b>	<b>£</b>
	Ordinary interim paid	12,000	33,334
		<u>12,000</u>	<u>33,334</u>
		<u>12,000</u>	<u>33,334</u>

# A M ADAMS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2000

### 8 Tangible fixed assets

	Fixtures, Fittings and Office Equipment	Plant and Equipment	Motor Vehicles	Total
	£	£	£	£
<b>Cost</b>				
At 1 November 1999	172,863	26,156	18,009	217,028
Additions	39,015	4,194	-	43,209
Disposals	-	-	(11,840)	(11,840)
At 31 October 2000	211,878	30,350	6,169	248,397
<b>Depreciation</b>				
At 1 November 1999	140,555	13,347	13,588	167,490
On disposals	-	-	(11,840)	(11,840)
Charge for the year	32,481	6,448	1,234	40,163
At 31 October 2000	173,036	19,795	2,982	195,813
<b>Net book value</b>				
At 31 October 2000	38,842	10,555	3,187	52,584
At 31 October 1999	32,308	12,809	4,421	49,538

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant and equipment £
<b>Net book values</b>	
At 31 October 2000	6,418
At 31 October 1999	10,082
<b>Depreciation charge for the year</b>	
31 October 2000	3,664
31 October 1999	3,666

# A M ADAMS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2000

### 9 Fixed asset investments

	Shares in subsidiary undertakings £
<b>Cost</b>	
At 1 November 1999 & at 31 October 2000	300

#### Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
<b>Subsidiary undertakings</b>			
Aqua Design & Play International Limited	England	£1 Ordinary shares	100
Sauna UK Limited	England	£1 Ordinary shares	100
Golden Coast Swimming Pools Limited	England	£1 Ordinary shares	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves	Profit for the year
Aqua Design & Play International Limited	(478,220)	(272,024)
Sauna UK Limited	100	(205,260)
Golden Coast Swimming Pools Limited	628,116	342,490

Since the year end Aqua Design & Play International Limited has ceased to trade and has been placed in liquidation.

### 10 Debtors

	2000 £	1999 £
Amounts owed by subsidiary undertakings	378,570	219,453
Other debtors	5,267	1,912
Prepayments and accrued income	-	1,750
	<u>383,837</u>	<u>223,115</u>

# A M ADAMS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2000

<b>11 Creditors: amounts falling due within one year</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Net obligations under hire purchase contracts	3,299	3,299
Trade creditors	22,098	8,484
Amounts owed to subsidiary undertakings	100	-
Corporation tax	15,994	16,054
Other taxes and social security costs	18,945	2,151
Directors' current accounts	30,806	100
Accruals and deferred income	3,213	35,480
	<u>94,455</u>	<u>65,568</u>
Debt due in one year or less	<u>3,299</u>	<u>3,299</u>
<b>12 Creditors: amounts falling due after more than one year</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Net obligations under hire purchase contracts	<u>2,474</u>	<u>5,773</u>
<b>Net obligations under hire purchase contracts</b>		
Repayable within one year	3,299	3,299
Repayable between one and five years	2,474	5,773
	<u>5,773</u>	<u>9,072</u>
Included in liabilities falling due within one year	<u>(3,299)</u>	<u>(3,299)</u>
	<u>2,474</u>	<u>5,773</u>
<b>13 Share capital</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
<b>Authorised</b>		
1,000 Ordinary shares of £ 1 each	<u>1,000</u>	<u>1,000</u>
<b>Allotted, called up and fully paid</b>		
100 Ordinary shares of £ 1 each	<u>100</u>	<u>100</u>

# A M ADAMS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2000

### 14 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 November 1999	253,239
Retained profit for the year	233,740
	<hr/>
Balance at 31 October 2000	486,979
	<hr/>

### 15 Reconciliation of movements in shareholders' funds

	2000 £	1999 £
Profit for the financial year	245,740	40,984
Dividends	(12,000)	(33,334)
	<hr/>	<hr/>
Net addition to shareholders' funds	233,740	7,650
Opening shareholders' funds	253,339	245,689
	<hr/>	<hr/>
Closing shareholders' funds	487,079	253,339
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### 16 Contingent liabilities

A M Adams Holdings Limited has given an unlimited multilateral guarantee dated 26 March 2001 in respect of the liabilities to the bankers of its subsidiary Golden Coast Swimming Pools Limited.

### 17 Directors' emoluments

	2000 £	1999 £
Emoluments for qualifying services	1,549	-
	<hr/>	<hr/>

### 18 Employees

#### Number of employees

There were no employees during the year apart from the directors.

#### Employment costs

	2000 £	1999 £
Wages and salaries	4,749	-
	<hr/>	<hr/>



# **A M ADAMS HOLDINGS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2000**

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### **19 Related party transactions**

The company is owned and controlled by its directors, who are A M Adams, D A Adams, D G Adams, S D Adams and J A Adams.

During the year, the company charged management charges and rent totalling £179,580 (1999: £182,895) to subsidiary group companies, and purchased goods and services of £19,876 (1999: £6,487).

The company rented leasehold property from the AM Adams Executive Pension Scheme at an annual rent of £42,500.

Mr S D Adams, a director of the company, acquired a car of nil book value from the company during the year, for a consideration of £1. Market value of the vehicle was estimated at £1,800.