

ASTROID SPORTS LIMITED

<u>DIRECTORS</u>	<u>30TH SEPTEMBER, 1987</u>	<u>SHAREHOLDINGS</u> <u>30TH SEPTEMBER, 1988</u>
Paul Edwin Jermy	900 Ordinary Shares	899 Ordinary Shares
Sheila Jermy	Nil	1 Ordinary Share

SECRETARY

Sheila Jermy

REPORT OF THE DIRECTORS

To be submitted to the Shareholders at the Thirtysecond Annual General Meeting.

The Report and Accounts now before you are for the year ended 30th September, 1988, from which you will see that there was a Net Loss for the year of £152,822. This has been debited to Profit and Loss Account, reducing the balance to £1,079,380.

In the opinion of the Directors, the Company's Property has a value of not less than £500,000.

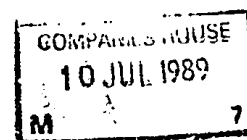
The only activity carried on by the Company during the year was the Wholesale Distribution of Sports Goods.

No Dividend is recommended for the year.

By Order of the Board.

Secretary *Sheila Jermy*

Dated : 14th June, 1989.



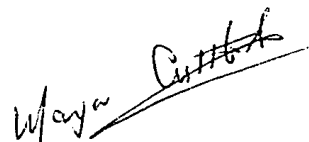
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AUDITORS' REPORT TO THE MEMBERS OF
ASTROID SPORTS LIMITED

We have audited the Accounts on Pages 3 to 6 in accordance with approved auditing standards.

In our opinion, the Accounts give a true and fair view of the state of the Company's affairs at 30th September, 1988, and of its Loss and Source and Application of funds for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Without qualifying our opinion above, we draw attention to the fact that, in common with many businesses of similar size and organisation, the Company's system of control is dependent upon the close involvement of the Directors, who are major Shareholders, and as part of the basis for our opinion, we have accepted assurances from the Directors that all the Company's transactions have been properly recorded.



165, New London Road,
Chelmsford, Essex.

14th June, 1989

MAYOR, CUTTLE AND CO.
Chartered Accountants.

ASTROID SPORTS LIMITEDBALANCE SHEET AS AT 30TH SEPTEMBER, 1988

	<u>NOTE</u>	<u>£</u>	<u>(1988)</u>	<u>£</u>	<u>(1987)</u>	<u>£</u>
<u>FIXED ASSETS</u>	2		502,203		170,228	
<u>JOINT VENTURE</u>	7		205,000		-	
<u>CURRENT ASSSETS</u>						
Stock	1	162,983		265,334		
Debtors and Prepayments		39,469		77,270		
Cash in Hand		49		213		
Loans		-		1,606		
Cash at Bank		<u>225,669</u>		<u>828,149</u>		
		£428,170		£1,172,572		
		=====		=====		
<u>CREDITORS FALLING DUE WITHIN ONE YEAR</u>						
Creditors Falling Due Within One Year	3	54,993		80,885		
Corporation Tax		-		<u>21,030</u>		
		£54,993		£101,915		
		=====		=====		
<u>NET CURRENT ASSETS</u>			<u>373,177</u>		<u>1,070,657</u>	
			1,080,380		1,240,885	
<u>LESS PROVISION FOR DEFERRED TAX</u>			-		<u>7,683</u>	
			£1,080,380		£1,233,202	
			=====		=====	
<u>FINANCED BY :</u>						
<u>CALLED UP SHARE CAPITAL</u>			1,000		1,000	
<u>PROFIT AND LOSS ACCOUNT</u>			<u>1,079,380</u>		<u>1,232,202</u>	
			£1,080,380		£1,233,202	
			=====		=====	

.....  Director

) Dated : 14th June, 1989

.....  Director

The Notes on Page 6 form part of these Accounts.

ASTROID SPORTS LIMITEDPROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30TH SEPTEMBER, 1988

	<u>NOTE</u>	(1988)	(1987)
		<u>£</u>	<u>£</u>
<u>TURNOVER</u> (Sales for the Year)		240,836	1,216,754
<u>Less</u> Cost of Sales		<u>198,150</u>	<u>969,123</u>
Gross Profit		42,686	247,631
<u>Less</u> Administration Expenses	168,397		276,273
Distribution and Selling Expenses	27,524		59,065
<u>Less</u> Other Income	(18)		(465)
Interest Receivable	(51,803)		(80,562)
Rents Receivable	(8,371)		-
Profit on Sale of Assets	(416)		-
	=====	<u>135,313</u>	<u>254,311</u>
Loss on Ordinary Activities before Taxation		(92,627)	(6,680)
Taxation	4	<u>(9,805)</u>	<u>(2,495)</u>
<u>PROFIT AFTER TAXATION</u>		<u>(82,822)</u>	<u>(4,185)</u>
<u>PURCHASE OF OWN SHARES</u>		(70,000)	-
Profit of Earlier Years Brought Forward		<u>1,231</u>	<u>1,236,387</u>
Profit Carried Forward as on the Balance Sheet		<u>£1,079,000</u>	<u>£1,232,202</u>
		=====	=====

The Notes on Page 6 form part of these Accounts.

ASTROID SPORTS LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS
FOR THE YEAR ENDED 30TH SEPTEMBER, 1988

	<u>£</u>	<u>(1988)</u>	<u>£</u>	<u>(1987)</u>	<u>£</u>
<u>SOURCE OF FUNDS</u>					
Loss Before Tax		(92,627)		(6,680)	
Adjustment for items not involving the movement of funds					
Depreciation and Loss on Sales		18,011		29,196	
Profit on Sale of Fixed Assets		<u>(416)</u>		<u>-</u>	
<u>TOTAL GENERATED FROM OPERATIONS</u>		(75,032)		22,516	
<u>FUNDS FROM OTHER SOURCES</u>					
Sale of Fixed Assets		<u>17,900</u>		<u>6,685</u>	
		(57,132)		29,201	
<u>APPLICATION OF FUNDS</u>					
Tax Paid	18,908		167		
Purchase of Fixed Assets	367,470		34,647		
Purchase of Own Shares	70,000		-		
	=====	<u>456,378</u>	=====	<u>34,814</u>	
		(513,510)		(5,613)	
		=====		=====	
<u>INCREASE/DECREASE IN WORKING CAPITAL</u>					
Decrease in Stocks		(102,351)		(264,896)	
Decrease in Debtors and Prepayments		(37,801)		(325,997)	
Decrease in Creditors		25,892		262,999	
Increase/Decrease in Loans		(1,606)		(1,547)	
Joint Venture Investment		205,000		-	
<u>MOVEMENT IN NET LIQUID FUNDS</u>					
Cash in Hand		(164)		14	
Cash at Bank		<u>(602,480)</u>		<u>323,814</u>	
		£(513,510)		£ (5,613)	
		=====		=====	

ASTROID SPORTS LIMITEDNOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER, 19881. ACCOUNTING POLICIES

The following Accounting Policies have been used consistently in dealing with items which are considered material in relation to the Company's Accounts.

(a) BASIS OF ACCOUNTING

The Accounts have been prepared under Historical Cost Accounting Rules as set out in the 8th Schedule to the Companies Act 1948.

(b) DEPRECIATION

Depreciation has been calculated at 15% of the Net Book Values of the Fixtures, Fittings and Equipment and 25% of the Net Book Values of the Vehicles.

No Depreciation has been charged against cost of Property of £409,574, required by S.S.A.P. 12 as the Directors consider that with proper maintenance its life will be capable of indefinite extension.

(c) PENSION SCHEME

Payments made to the Company Pension Scheme are charged against profit as and when due, so that no provision is made against any actuarial deficit.

(d) STOCK

Stock has been valued by the Directors at the lower of Cost or Net Realisable Value.

2. FIXED ASSETS : TANGIBLE ASSETS

	<u>VEHICLES AND EQUIPMENT</u>	<u>PROPERTY</u>	<u>TOTAL</u>
Cost as at 1st October, 1987	199,609	90,845	290,454
Additions at Cost	48,741	318,729	367,470
Disposals	<u>(28,780)</u>	<u>-</u>	<u>(28,780)</u>
Cost as at 30th September, 1988	219,570	409,574	629,144
	=====	=====	=====
Depreciation as at 1st October, 1987	120,226	Nil	120,226
Charge for the Year	18,011	-	18,011
Disposals	<u>(11,296)</u>	<u>-</u>	<u>(11,296)</u>
Depreciation as at 30th September, 1988	126,941	Nil	126,941
	=====	=====	=====
Net Book Value 30th September, 1987	79,383	90,845	170,228
	=====	=====	=====
Net Book Value 30th September, 1988	92,629	409,574	502,203
	=====	=====	=====

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ASTROID SPORT LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER, 1988

3.	<u>CREDITORS PAYABLE WITHIN ONE YEAR</u>	<u>30.9.1988</u>	<u>30.9.1987</u>
		<u>£</u>	<u>£</u>
	Trade Creditors	236	79
	Expense Creditors	50,859	73,666
	Accruals	3,606	7,140
	Value Added Tax	292	-
		<u>54,993</u>	<u>80,885</u>
		=====	=====

4. CORPORATION TAX

This is a "Close" Company.

The Corporation Tax Credit for the Year is (£9,805).

The Credit in the Profit and Loss Account is arrived at as follows :-

	<u>(1988)</u>	<u>(1987)</u>
	<u>£</u>	<u>£</u>
Corporation Tax	(2,122)	2,122
Deferred Taxation	(7,68)	(4,617)
	<u>(9,805)</u>	<u>(2,495)</u>
	=====	=====

5. CALLED UP SHARE CAPITAL

The Company's Share Capital has been reduced by £100 by the purchase of own Shares for £70,000 :

	<u>AUTHORISED</u>	<u>ISSUED AND FULLY PAID</u>
Ordinary Shares of £1 each	£900	£900
	===	===

6. EXPENSES CHARGED IN REACHING PROFIT FOR THE YEAR

	<u>(1988)</u>	<u>(1987)</u>
	<u>£</u>	<u>£</u>
(1) Directors Remuneration (including Pension Contributions)	49,228	82,623
Auditors Remuneration	900	1,500
Depreciation and Loss on Sales	18,011	29,196
Profit on Disposals	(416)	-
Bank Interest and Charges	1,370	4,535
	=====	=====

(2) DIRECTORS REMUNERATION

Fees	-	35,000
Other Emoluments	<u>49,228</u>	<u>47,623</u>
	<u>49,228</u>	<u>82,623</u>
	=====	=====

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ASTROID SPORTS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER, 1988

	<u>(1988)</u>	<u>(1987)</u>
	<u>£</u>	<u>£</u>
The Chairman received (excluding Pension Contributions)	19,500	34,500

1 Director received Remuneration within the band £5,001 - £10,000.

7. JOINT VENTURE

Investment of £205,000 with Lanefield Properties Limited in respect of property development.