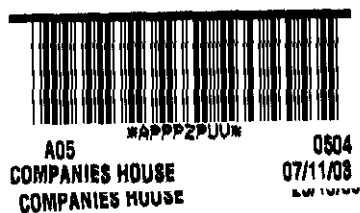


REGISTERED NUMBER 727607

BUDWORTH SAILING SECTION (PROPERTIES) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED

30 SEPTEMBER 2002



BUDWORTH SAILING SECTION (PROPERTIES) LIMITED

REPORT OF THE DIRECTORS

The directors submit their report together with the financial statements of the company for the year ended 30 September 2002.

REVIEW OF THE BUSINESS

The company continued to act as holder of the freehold land and buildings occupied by the Budworth Sailing Club. The company did not trade during the year and therefore no profit and loss account has been prepared.

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare accounts 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 these accounts 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 maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts 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.

DIRECTORS AND THEIR INTERESTS

The directors who served during the year, none of whom held any beneficial interest in the company's shares, were as follows:-

E P R Ainsworth
J D Booth
M J Guess
J A Shaw

M J Guess retires from the board and, being eligible, offers himself for re-election.

AUDITORS

A resolution to re-appoint the auditors, Haslam Tunstall, will, in accordance with section 385 of Companies Act 1985, be proposed at the Annual General Meeting.

SMALL COMPANY EXEMPTIONS

The report of the directors 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


E P R AINSWORTH
Director

Date: 12.2.2003

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
BUDWORTH SAILING SECTION (PROPERTIES) LIMITED**

We have audited the financial statements of Budworth Sailing Section (Properties) Limited for the year ended 30 September 2002 on pages three and four. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described on page one, the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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 Report of the Directors 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 the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of 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 the company's affairs at 30 September 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



HASLAM TUNSTALL
Chartered Accountants
Registered Auditor
6 Windsor Way
Knutsford
Cheshire WA16 6JB

Dated: 12 February 2003

BUDWORTH SAILING SECTION (PROPERTIES) LIMITED**BALANCE SHEET**

		As at 30 September	
	Notes	2002	2001
TANGIBLE FIXED ASSETS	(3)	36,043	36,043
CREDITORS: Amounts falling due after more than one year	(4)	35,943	35,943
NET ASSETS		<u>£100</u>	<u>£100</u>
CAPITAL AND RESERVES			
Called up share capital	(2)	100	100
		<u>£100</u>	<u>£100</u>

These accounts are 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).

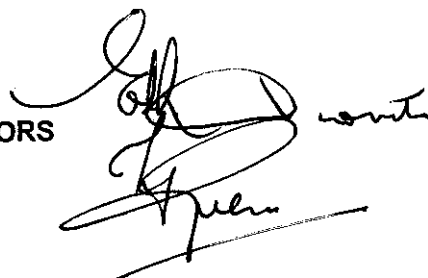
The financial statements on pages 3 and 4 were approved by the board of directors on 12.2.2003 and signed on its behalf by:

E P R AINSWORTH

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DIRECTORS

M J GUESS



BUDWORTH SAILING SECTION (PROPERTIES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2002

1. ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared under the historical cost accounting rules and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Depreciation

Freehold land is not depreciated.

No provision has been made for depreciation of the company's clubhouse, equipment and fittings. This policy is not in accordance with Schedule 4 to the Companies Act 1985 and does not comply with the requirements of Financial Reporting Statement 15. The directors are of the opinion that, as the Clubhouse, equipment and fittings are regularly maintained, it would be inappropriate to provide for depreciation. The directors are of the opinion that it is impracticable to quantify the depreciation which would otherwise have been charged.

The company was dormant throughout the current and previous year.

2. SHARE CAPITAL

Authorised, Allotted, called up and fully paid

	2002	2001
Ordinary shares of £1 each	£100	£100
	<u> </u>	<u> </u>

3. TANGIBLE FIXED ASSETS

Cost at beginning and end of year

Freehold land	5,832
Clubhouse, equipment and fittings	30,211
	<u> </u>
	£36,043
	<u> </u>

The cost price is shown net of grants totalling £3,500.

4. CREDITORS: Amounts falling due after more than one year

	2002	2001
Budworth Sailing Club Loan Account	£35,943	£35,943
	<u> </u>	<u> </u>

5. TRANSACTIONS WITH DIRECTORS

All of the directors are members of Budworth Sailing Club.

The company leases its property to Budworth Sailing Club rent free and the club also has use of the company's equipment free of charge.