

AD

SC19097



# Edinburgh Sports Club

## Limited

# Annual Report and Accounts

*For the year ended 30 June 2000*

## Edinburgh Sports Club Limited

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**Directors**                      Mrs S. Kempston (Chairman)  
                                         Mr M. Campbell  
                                         Mr A. McKie  
                                         Mrs K. Kingstone  
                                         Mr I. Boyd

**Secretary**                      Mr I. Boyd

**Registered Office**              7 Belford Place  
                                         Edinburgh EH4 3DH

**Auditors**                        Chiene & Tait C.A.  
                                         61 Dublin Street,  
                                         Edinburgh EH3 6NL

**Bankers**                         Bank of Scotland  
                                         43 Comely Bank  
                                         Edinburgh EH4 1AF

**Solicitors**                       Archibald, Campbell & Harley  
                                         37 Queen Street,  
                                         Edinburgh EH2 1JX

**Manager**                        Mr D. Thomas

**Company Number**              SC 19097

## Chairman's Statement

*For The Year ended 30th June 2000*

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### Accounts

This has been a year of great change within the Sports Club. Firstly with the retirement of Alastair Allanach from the Board. Alastair gave of his time unselfishly and always made the future of the Club his main priority. He was responsible for ensuring things kept functioning when our previous Manager was ill. He was instrumental in increasing the value of the club by obtaining extensive planning permission. We wish him well in his new business venture.

Secondly, the leisure business in Edinburgh has moved into a very competitive phase with the Club having to work hard to retain our share of the market. We concentrate on racket sports and in providing the more intimate atmosphere associated with a private members club. We continue to offer a range of sporting activities and social events to encourage new members while retaining the existing membership.

Thirdly, we have continued to refurbish the Club by replacing two squash court floors, upgrading the men's shower room, completing the redecoration of the dining room along with significant improvements to the electrical and lighting systems. We have also installed a new club access system. As always there are ongoing maintenance problems to be resolved. The fabric of the Club has required attention for sometime and by undertaking these tasks we have incurred a loss of £26,741 for the year. However the board is working hard to introduce savings, and with monthly management accounts now being available we shall have a regular overview of our budget to assist us in this task.

### Staff

May Crawford who has worked for the Club for over 17 years as Bookkeeper retired in March. She was a stickler for detail and her loyalty to the Club is much appreciated. Lorna Dunlop has joined the team and is helping to update our accounting procedures on the computer.

### Playing

On the playing side the Club had a successful season with the Ladies 1<sup>st</sup> team winning the East of Scotland League. Senga and Helen McFie, Lisa McKenna, and Juliet Milne will be our representatives in the European Club Championships in Amsterdam. The men's national league team was inspired by Simon Boughton and did well to finish in 4th place against teams who pay some of their players. The junior section flourishes and we have teams taking part in both local and national competitions. Without much valued parental support this would not be possible. The tennis courts, now with good floodlighting, seem to be playing better and better and with the mild weather they are well used all year. We have been fortunate to have Tam Bruce involved with tennis coaching at every level. I am grateful to my fellow Board members for their hard work and support during the last year and trust that we can move towards 2001 on a positive and optimistic note.

S. Kempston

# Report of the Directors

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## Accounts

The Directors have pleasure in presenting the audited accounts of the company for the year ending 30<sup>th</sup> June 2000. The loss for the year after taxation amounted to £26,741 compared to a £679 profit in 1999. This is shown in the profit and loss account.

## Principal Activity

The principal activity of the company is the provision of sporting and social facilities for members.

## Heritable Property

In the opinion of the directors the market value of the Company's heritable property is in excess of the net book amount at which it is included in the accounts.

## Directors

The Directors holding office throughout the year are as detailed on page one. Mr M. Stuart resigned on 26<sup>th</sup> April 2000.

## Statement of 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 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 accounts on the going concern basis unless it is inappropriate to assume 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 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.

## Year 2000

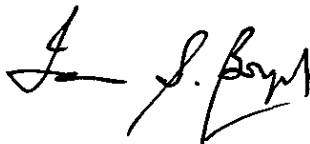
The Directors confirm that no problems arose as a result of the Year 2000 issues

## Auditors

Chiene & Tait, C.A. have expressed their willingness to continue in office as auditors and a resolution proposing their re-appointment will be submitted at the Annual General Meeting.

By Order of the Board.

I.S. Boyd Secretary  
20<sup>th</sup> September 2000



**Profit and Loss Account**

For the year ended 30th June 2000

|                                                    | Note | 2000            | 1999           |
|----------------------------------------------------|------|-----------------|----------------|
|                                                    |      | £               | £              |
| <b>Trading Account</b>                             |      |                 |                |
| <b>Turnover</b>                                    | 2/3  | 82,991          | 92,489         |
| <b>Cost of Sales</b>                               |      |                 |                |
| Purchases                                          |      | 47,706          | 54,728         |
| Wages                                              |      | 25,219          | 23,850         |
| Direct expenses                                    |      | <u>1,927</u>    | <u>4,860</u>   |
|                                                    |      | <u>74,852</u>   | <u>83,438</u>  |
| <b>Gross Profit on Trading</b>                     | 3    | <u>8,139</u>    | <u>9,051</u>   |
| <b>Revenue Account</b>                             |      |                 |                |
| Subscriptions                                      |      | 182,728         | 200,332        |
| Maintenance Levy                                   |      | 16,732          | 22,025         |
| Development Levy                                   |      | 25,080          | -              |
| Interest receivable                                |      | 6,364           | 12,902         |
| Other income                                       | 4    | <u>24,821</u>   | <u>29,292</u>  |
|                                                    |      | 255,725         | 264,551        |
| <b>Administrative Expenses</b>                     | 5    | <u>291,082</u>  | <u>270,227</u> |
| <b>Revenue Deficit</b>                             |      | <u>(35,357)</u> | <u>(5,676)</u> |
| <b>(Loss)/Profit on Activities Before Taxation</b> |      | (27,218)        | 3,375          |
| <b>Taxation</b>                                    | 6    | <u>(477)</u>    | <u>2,696</u>   |
| <b>Retained (Loss) / Profit for Year</b>           |      | <u>(26,741)</u> | <u>679</u>     |

There have been no other recognised gains or losses.

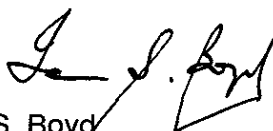
The notes on pages 6–10 form part of these accounts.

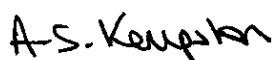
**Balance Sheet**

At 30th June 2000

|                                              | Note | 2000           |                | 1999           |                |
|----------------------------------------------|------|----------------|----------------|----------------|----------------|
|                                              |      | £              | £              | £              | £              |
| <b>Fixed Assets</b>                          |      |                |                |                |                |
| Tangible assets                              | 11   |                | 256,390        |                | 276,448        |
| <b>Current Assets</b>                        |      |                |                |                |                |
| Stocks                                       | 12   | 13,588         |                | 16,353         |                |
| Debtors                                      | 13   | 8,038          |                | 7,164          |                |
| Cash at bank and in hand                     |      | <u>102,844</u> |                | <u>163,045</u> |                |
|                                              |      | 124,470        |                | 186,562        |                |
| <b>Creditors</b>                             |      |                |                |                |                |
| Amounts falling due within one year          | 14   | <u>80,338</u>  |                | <u>135,747</u> |                |
| <b>Net Current Assets</b>                    |      |                | <u>44,132</u>  |                | <u>50,815</u>  |
| <b>Total Assets Less Current Liabilities</b> |      |                | <u>300,522</u> |                | <u>327,263</u> |
| <b>Capital and Reserves</b>                  |      |                |                |                |                |
| Called up share capital                      | 15   |                | 56             |                | 56             |
| Reserves                                     | 16   |                | <u>300,466</u> |                | <u>327,207</u> |
| <b>Equity Shareholders' Fund</b>             | 17   |                | <u>300,522</u> |                | <u>327,263</u> |

Approved by the Board on 20<sup>th</sup> September 2000  
and signed on their behalf by:

  
I.S. Boyd  
Secretary

  
A.S. Kempston  
Chairman

The notes on pages 6–10 form part of these accounts.

# Notes to the Accounts

For the Year ended 30th June 2000

## 1 Accounting Policies

(a) **Accounting convention**

The accounts are prepared under the historical cost convention and in accordance with accounting standards.

(b) **Depreciation of tangible fixed assets**

The Company's land and trophies are not depreciated. The cost of other tangible assets is written off by equal annual instalments at the following rates:

|                                        |     |
|----------------------------------------|-----|
| Freehold Buildings                     | 2%  |
| Heritable plant                        | 5%  |
| Tennis Court Surface                   | 10% |
| Furniture and fittings                 | 10% |
| Computer equipment, including software | 33% |

Expenditure on equipment and furnishings, representing items requiring regular replacement, is charged to the profit and loss account.

(c) **Development fund**

The development fund represents funds accumulated for the purpose of development expenditure. When a capital project is undertaken, funds are transferred from the development fund to the capital projects fund to match the capital expenditure associated with that project.

(d) **Capital projects fund**

The capital projects fund represents amounts transferred from the development fund in order to identify development expenditure on tangible fixed assets. An amount equal to the annual depreciation charge on these assets is transferred annually from the capital projects fund to retained profits.

(e) **Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items.

(f) **Entry fees**

Entry fees represent the actual entry fees received during the year.

(g) **Cash flow statement**

The Company is a small company as defined by S.247 of the Companies Act 1985 and is entitled to exemption from the preparation of a cash flow statement as required under FRS1. Consequently, a cash flow statement has not been prepared.

## 2 Turnover

Turnover comprises the value of goods and services supplied by the Company exclusive of VAT.

*Notes to the Accounts**continued***3 Analysis of Turnover and Gross Profits between Activities**

|      | Turnover      |               | Gross Profit  |               | Direct Expenses<br>Repairs,<br>Maintenance |              | Wages         |               | Contribution |               |
|------|---------------|---------------|---------------|---------------|--------------------------------------------|--------------|---------------|---------------|--------------|---------------|
|      | 2000<br>£     | 1999<br>£     | 2000<br>£     | 1999<br>£     | 2000<br>£                                  | 1999<br>£    | 2000<br>£     | 1999<br>£     | 2000<br>£    | 1999<br>£     |
| Bar  | 56,889        | 60,090        | 26,141        | 27,419        | 1,927                                      | 4,860        | 25,219        | 23,850        | (1,005)      | (1,291)       |
| Shop | <u>26,102</u> | <u>32,399</u> | <u>9,144</u>  | <u>10,342</u> | -                                          | -            | -             | -             | <u>9,144</u> | <u>10,342</u> |
|      | <u>82,991</u> | <u>92,489</u> | <u>35,285</u> | <u>37,761</u> | <u>1,927</u>                               | <u>4,860</u> | <u>25,219</u> | <u>23,850</u> | <u>8,139</u> | <u>9,051</u>  |

|                       | 2000<br>£     | 1999<br>£     |
|-----------------------|---------------|---------------|
| <b>4 Other Income</b> |               |               |
| Entry Fees            | 3,765         | 2,625         |
| Fruit Machine Income  | 9,648         | 7,581         |
| Guest Fees            | 7,486         | 9,906         |
| Sunbed Income         | 259           | 340           |
| Rents Receivable      | 600           | 450           |
| Uncashed Vouchers     | -             | 3,561         |
| Miscellaneous Income  | <u>3,063</u>  | <u>4,829</u>  |
|                       | <u>24,821</u> | <u>29,292</u> |

**5 Administrative Expenses**

|                                     |                |                |
|-------------------------------------|----------------|----------------|
| Salaries and Wages                  | 88,536         | 90,399         |
| Rates                               | 6,815          | 4,745          |
| Insurance                           | 3,632          | 4,066          |
| Heating and Lighting                | 12,657         | 16,657         |
| Cleaning Contract and Materials     | 11,043         | 18,271         |
| Sundry Expenses                     | 30,551         | 30,632         |
| Repairs and Renewals                | 62,544         | 33,175         |
| Ventilation/Air Conditioning        | -              | 410            |
| Stationery and Printing             | 4,264          | 3,969          |
| Team Sponsorship                    | 384            | 737            |
| Marketing                           | 5,281          | 4,819          |
| Licences                            | 7,848          | 6,259          |
| Postage and Telephone               | 5,264          | 5,996          |
| Auditors' Remuneration              | 4,147          | 4,841          |
| Depreciation                        | 21,994         | 23,361         |
| Loss on Disposal of Scrapped Assets | -              | 2,198          |
| Professional Fees                   | 3,824          | 4,948          |
| Recruitment                         | 2,371          | -              |
| Professional Fees – Development     | 3,420          | 4,380          |
| Irrecoverable VAT                   | <u>16,507</u>  | <u>10,364</u>  |
|                                     | <u>291,082</u> | <u>270,227</u> |

*Notes to the Accounts**continued*

|                                                                                                                                                                                                                                                                        | 2000<br>£      | 1999<br>£      |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
| <b>6      Taxation</b>                                                                                                                                                                                                                                                 |                |                |
| Being a mutual trading company, profits arising from members are not subject to UK corporation tax. The charge relates to corporation tax at 20% (1999 20.67%) on interest received, less paid, and on net rents receivable in respect of the year ended 30 June 2000. |                |                |
| UK Corporation Tax                                                                                                                                                                                                                                                     | 449            | 2,696          |
| Over provision in prior years                                                                                                                                                                                                                                          | <u>(926)</u>   | <u>-</u>       |
|                                                                                                                                                                                                                                                                        | <u>(477)</u>   | <u>2,696</u>   |
| <b>7      Staff Costs</b>                                                                                                                                                                                                                                              |                |                |
| Wages and salaries                                                                                                                                                                                                                                                     | 104,683        | 106,393        |
| Social Security costs                                                                                                                                                                                                                                                  | <u>9,072</u>   | <u>7,857</u>   |
|                                                                                                                                                                                                                                                                        | <u>113,755</u> | <u>114,250</u> |
| <b>8      Employees</b>                                                                                                                                                                                                                                                |                |                |
| The average monthly number of full and part time employees during the year was 10 (1999 – 11)                                                                                                                                                                          |                |                |
| <b>9      Emoluments of Directors</b>                                                                                                                                                                                                                                  |                |                |
| No remuneration was paid to the directors during the year (1999 - nil)                                                                                                                                                                                                 |                |                |
| <b>10     Profit on Ordinary Activities Before Taxation</b>                                                                                                                                                                                                            |                |                |
| This is stated after charging:                                                                                                                                                                                                                                         |                |                |
| Auditors' remuneration - Audit Services                                                                                                                                                                                                                                | 4,147          | 4,841          |
| Other Services                                                                                                                                                                                                                                                         | 3,014          | 850            |
| Depreciation                                                                                                                                                                                                                                                           | 21,994         | 23,361         |
| Hire of equipment                                                                                                                                                                                                                                                      | <u>5,179</u>   | <u>4,690</u>   |

*Notes to the Accounts**continued***11 Tangible Fixed Asset**

|                       | Heritable<br>Property<br>£ | Furniture &<br>Fittings<br>£ | Computer<br>Equipment<br>£ | Club<br>Trophies<br>£ | Total<br>£     |
|-----------------------|----------------------------|------------------------------|----------------------------|-----------------------|----------------|
| <b>Cost</b>           |                            |                              |                            |                       |                |
| At 30 June 1999       | 306,054                    | 62,787                       | 18,270                     | 28                    | 387,139        |
| Additions             | -                          | 1,409                        | 527                        | -                     | 1,936          |
| At 30 June 2000       | <u>306,054</u>             | <u>64,196</u>                | <u>18,797</u>              | <u>28</u>             | <u>389,075</u> |
| <b>Depreciation</b>   |                            |                              |                            |                       |                |
| At 30 June 1999       | 81,128                     | 23,046                       | 6,517                      | -                     | 110,691        |
| Charge for year       | 9,593                      | 6,243                        | 6,158                      | -                     | 21,994         |
| At 30 June 2000       | <u>90,721</u>              | <u>29,289</u>                | <u>12,675</u>              | <u>-</u>              | <u>132,685</u> |
| <b>Net book Value</b> |                            |                              |                            |                       |                |
| At 30 June 2000       | <u>215,333</u>             | <u>34,907</u>                | <u>6,122</u>               | <u>28</u>             | <u>256,390</u> |
| At 30 June 1999       | <u>224,926</u>             | <u>39,741</u>                | <u>11,753</u>              | <u>28</u>             | <u>276,448</u> |

**Analysis of Fixed Asset Additions**

|                            |              |
|----------------------------|--------------|
| Gym equipment              | 1,409        |
| Printer and desktop reader | <u>527</u>   |
|                            | <u>1,936</u> |

|      |      |
|------|------|
| 2000 | 1999 |
| £    | £    |

**12 Stocks**

|      |               |               |
|------|---------------|---------------|
| Shop | 9,246         | 12,200        |
| Bar  | <u>4,342</u>  | <u>4,153</u>  |
|      | <u>13,588</u> | <u>16,353</u> |

**13 Debtors**

|                                |              |              |
|--------------------------------|--------------|--------------|
| Prepayments and accrued income | 3,699        | 3,228        |
| Other debtors                  | <u>4,339</u> | <u>3,936</u> |
|                                | <u>8,038</u> | <u>7,164</u> |

*Notes to the Accounts**continued*

|    |                                                                       | 2000<br>£                   | 1999<br>£                        |                             |                   |
|----|-----------------------------------------------------------------------|-----------------------------|----------------------------------|-----------------------------|-------------------|
| 14 | <b>Creditors</b>                                                      |                             |                                  |                             |                   |
|    | Amounts falling due within one year                                   |                             |                                  |                             |                   |
|    | Trade creditors                                                       | 6,580                       | 15,174                           |                             |                   |
|    | Taxation                                                              | 449                         | 2,696                            |                             |                   |
|    | Other taxes and social security                                       | 2,550                       | 1,232                            |                             |                   |
|    | Other creditors                                                       | 1,964                       | 130                              |                             |                   |
|    | Accruals                                                              | 16,190                      | 32,970                           |                             |                   |
|    | Prepaid subscriptions                                                 | 43,490                      | 73,536                           |                             |                   |
|    | Brewers advanced discount                                             | <u>9,115</u>                | <u>10,009</u>                    |                             |                   |
|    |                                                                       | <u>80,338</u>               | <u>135,747</u>                   |                             |                   |
| 15 | <b>Called Up Share Capital</b>                                        |                             |                                  |                             |                   |
|    | <i>Authorised</i>                                                     |                             |                                  |                             |                   |
|    | 5,000 ordinary shares of 5p each                                      | <u>250</u>                  | <u>250</u>                       |                             |                   |
|    | <i>Issued</i>                                                         |                             |                                  |                             |                   |
|    | 1,125 ordinary shares of 5p each                                      | <u>56</u>                   | <u>56</u>                        |                             |                   |
| 16 | <b>Reserves</b>                                                       |                             |                                  |                             |                   |
|    |                                                                       | <i>Development<br/>Fund</i> | <i>Capital<br/>Projects Fund</i> | <i>Retained<br/>Profits</i> | <i>Total</i>      |
|    |                                                                       | £                           | £                                | £                           | £                 |
|    | At 30 June 1999                                                       | -                           | 117,686                          | 209,521                     | 327,207           |
|    | Retained loss for the year                                            | -                           | -                                | (26,741)                    | (26,741)          |
|    | Transfer to Development                                               | 25,080                      | -                                | (25,080)                    |                   |
|    | Transfers between reserves                                            | <u>-</u>                    | <u>(8,586)</u>                   | <u>8,586</u>                | <u>-</u>          |
|    | At 30 June 2000                                                       | <u>25,080</u>               | <u>109,100</u>                   | <u>166,286</u>              | <u>300,466</u>    |
| 17 | <b>Reconciliation of movements in shareholders' funds</b>             |                             |                                  | <b>2000<br/>£</b>           | <b>1999<br/>£</b> |
|    | At 30 June 1999                                                       |                             |                                  | 327,263                     | 326,584           |
|    | (Loss)/ Profit for the year                                           |                             |                                  | <u>(26,741)</u>             | <u>679</u>        |
|    | At 30 June 1999                                                       |                             |                                  | <u>300,522</u>              | <u>327,263</u>    |
| 18 | <b>Capital Commitments</b>                                            |                             |                                  |                             |                   |
|    | Capital expenditure authorised but not contracted for at the year end |                             |                                  | <u>-</u>                    | <u>10,000</u>     |

## *Report of the Auditors*

*to the Members of Edinburgh Sports Club Limited*

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We have audited the accounts on pages 4 to 10 which have been prepared on the basis of the accounting policies set out on page 6.

### **Respective responsibilities of directors and auditors**

As described on page 3, the Company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

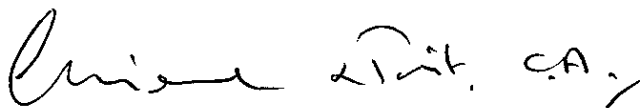
### **Basis of opinion**

We have 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts are free from material mis-statement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of the information in the accounts.

### **Opinion**

In our opinion the accounts give a true and fair view of the state of the Company's affairs as at 30 June 2000 and its loss for the year then ended has been properly prepared in accordance with the Companies Act 1985.



CHIENE & TAIT, C.A.  
Registered Auditors  
61 Dublin Street  
Edinburgh, EH3 6NL

21<sup>st</sup> September 2000