

Company Registration No. 78564 (Scotland)

REGISTRAR OF COMPANIES

**THE ROYAL SCOTTISH AUTOMOBILE CLUB (MOTOR SPORT) LIMITED
(COMPANY LIMITED BY GUARANTEE)**

**DIRECTORS' REPORT
AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2000



THE ROYAL SCOTTISH AUTOMOBILE CLUB (MOTOR SPORT) LIMITED
(COMPANY LIMITED BY GUARANTEE)
COMPANY INFORMATION

Directors

I B M Lyle
J S Cowan
R G Davenport
M N C Gascoigne
J S McRae
C N Hilton (Appointed 27 March 2001)

Secretary

J C Lord

Company number

78564

Registered office

11 Blythswood Square
Glasgow
G2 4AG

Auditors

Geoghegan & Co
6 St Colme Street
Edinburgh
EH3 6AD

Business address

11 Blythswood Square
Glasgow
G2 4AG

THE ROYAL SCOTTISH AUTOMOBILE CLUB (MOTOR SPORT) LIMITED
(COMPANY LIMITED BY GUARANTEE)
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THE ROYAL SCOTTISH AUTOMOBILE CLUB (MOTOR SPORT) LIMITED
(COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2000

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

Principal activities

The principal activity of the company continued to be that of the promotion and administration of Motor Sport in Scotland.

Review of the business

The directors are satisfied that the company will be in a position to continue to trade during the forthcoming year.

Directors

The following directors have held office since 1 January 2000:

I B M Lyle

J S Cowan

R G Davenport

M N C Gascoigne

J S McRae

C N Hilton

J R Quenby

(Appointed 27 March 2001)

(Resigned 27 March 2001)

Auditors

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

Directors' responsibilities

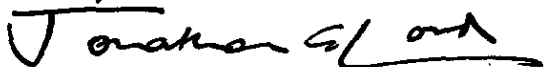
Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- 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.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the board



J C Lord

Secretary

24 July 2001

THE ROYAL SCOTTISH AUTOMOBILE CLUB (MOTOR SPORT) LIMITED (COMPANY LIMITED BY GUARANTEE)

AUDITORS' REPORT

TO THE MEMBERS OF THE ROYAL SCOTTISH AUTOMOBILE CLUB (MOTOR SPORT) LIMITED

We have audited the financial statements on pages 3 to 7 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

Respective responsibilities of directors and auditors

As described on page 1 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.

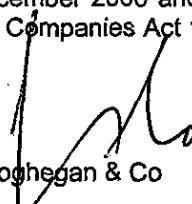
Basis of opinion

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 December 2000 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Geoghegan & Co

25 July 2001

**Chartered Accountants and
Registered Auditors**

6 St Colme Street
Edinburgh
EH3 6AD

THE ROYAL SCOTTISH AUTOMOBILE CLUB (MOTOR SPORT) LIMITED
(COMPANY LIMITED BY GUARANTEE)
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2000

		2000	1999
	Notes	£	£
Turnover		179,756	213,018
Cost of sales		(179,136)	(188,383)
Gross profit		620	24,635
Administrative expenses		(30,839)	(30,577)
Operating loss	3	(30,219)	(5,942)
Other interest receivable and similar income		564	-
Loss on ordinary activities before taxation		(29,655)	(5,942)
Tax on loss on ordinary activities	4	-	-
Loss on ordinary activities after taxation	8	(29,655)	(5,942)

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

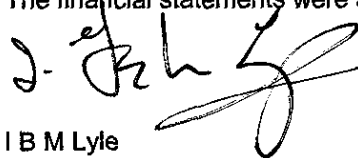
There are no recognised gains and losses other than those passing through the profit and loss account.

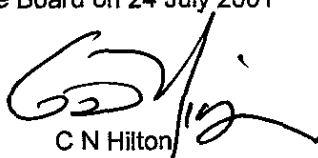
THE ROYAL SCOTTISH AUTOMOBILE CLUB (MOTOR SPORT) LIMITED
(COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET
AS AT 31 DECEMBER 2000

	Notes	2000 £	£	1999 £	£
Fixed assets					
Tangible assets	5		274		705
Current assets					
Debtors	6	7,444		10,465	
Cash at bank and in hand		503		12,440	
		<u>7,947</u>		<u>22,905</u>	
Creditors: amounts falling due within one year	7	<u>(54,777)</u>		<u>(40,511)</u>	
Net current liabilities			<u>(46,830)</u>		<u>(17,606)</u>
Total assets less current liabilities			<u>(46,556)</u>		<u>(16,901)</u>
Reserves					
Profit and loss account	8		<u>(46,556)</u>		<u>(16,901)</u>
			<u>(46,556)</u>		<u>(16,901)</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 24 July 2001


I B M Lyle
Director


C N Hilton
Director

THE ROYAL SCOTTISH AUTOMOBILE CLUB (MOTOR SPORT) LIMITED
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2000

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.

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:

Equipment	25% Straight line
Motor vehicles	25% Straight line

1.4 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

2 Basis of preparing the financial statements

At the year end the balance sheet reflected net liabilities of £46,556 and the income and expenditure for the year a deficit of £29,655. The directors however have prepared projected cash flow information to the end of 2001 and projected income and expenditure information to the end of 2002. This information indicates a positive cash-flow situation and a return to operating surplus and therefore the directors consider it appropriate to prepare the financial statements on the going concern basis.

3 Operating loss

	2000	1999
	£	£
<i>Operating loss is stated after charging:</i>		
Depreciation of tangible assets	431	432
Operating lease rentals	5,840	5,840
Auditors' remuneration	1,003	881
	<u> </u>	<u> </u>

4 Taxation

No corporation tax is payable for the year as a result of the trading loss.

THE ROYAL SCOTTISH AUTOMOBILE CLUB (MOTOR SPORT) LIMITED
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2000

5 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 January 2000 & at 31 December 2000	1,725
Depreciation	
At 1 January 2000	1,020
Charge for the year	431
At 31 December 2000	1,451
Net book value	
At 31 December 2000	274
At 31 December 1999	705

6 Debtors	2000	1999
	£	£
Other debtors	6,865	4,000
Prepayments	579	6,465
	<u>7,444</u>	<u>10,465</u>

7 Creditors: amounts falling due within one year	2000	1999
	£	£
Trade creditors	3,687	-
Contribution received in advance	18,100	17,542
Development fund	8,695	10,562
Accruals	1,029	881
Other creditors	1,225	968
Short term loan - Royal Scottish Automobile Club	15,000	-
Current account - Royal Scottish Automobile Club	7,041	10,558
	<u>54,777</u>	<u>40,511</u>

THE ROYAL SCOTTISH AUTOMOBILE CLUB (MOTOR SPORT) LIMITED
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2000

8 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2000	(16,901)
Retained loss for the year	(29,655)
	<u>(46,556)</u>
Balance at 31 December 2000	<u>(46,556)</u>

9 Reconciliation of movements in members' funds

	2000 £	1999 £
Loss for the financial year	(29,655)	(5,942)
Opening members' funds	(16,901)	(10,959)
	<u>(46,556)</u>	<u>(16,901)</u>
Closing members' funds	<u>(46,556)</u>	<u>(16,901)</u>

10 Financial commitments

At 31 December 2000 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2000	1999	2000	1999
	£	£	£	£
Expiry date:				
Within one year	2,000	2,000	3,840	3,840
Between two and five years	-	-	640	4,480
	<u>2,000</u>	<u>2,000</u>	<u>4,480</u>	<u>8,320</u>

11 Related party transactions

The directors of the company, R G Davenport and M N C Gascoigne, are also members of the general committee of the Royal Scottish Automobile Club.

At 31 December 2000, the company had the following debts with the Royal Scottish Automobile Club:
 Current account balance outstanding - £7,041 (1999-£10,558)
 Short term loan outstanding - £15,000 (1999-£NIL).