

Company Registration No. 78564 (Scotland)

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

**DIRECTORS' REPORT
AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2001



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COMPANIES HOUSE 12/09/02

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 2001

The directors present their report and financial statements for the year ended 31 December 2001.

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 2001:

I B M Lyle

J S Cowan

R G Davenport

M N C Gascoigne

J S McRae

C N Hilton

(Appointed 27 March 2001)

J R Quenby

(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

14 July 2002

**THE ROYAL SCOTTISH AUTOMOBILE CLUB (MOTOR SPORT) LIMITED
(COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF THE ROYAL SCOTTISH AUTOMOBILE CLUB (MOTOR SPORT)
LIMITED**

We have audited the financial statements of The Royal Scottish Automobile Club (Motor Sport) Limited on pages 3 to 7 for the year ended 31 December 2001. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities on page 1 the company's directors are responsible for the preparation of the 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 directors' report 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 directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit 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 as at 31 December 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Geoghegan & Co

Chartered Accountants
Registered Auditor

2 September 2002

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 2001

	Notes	2001 £	2000 £
Turnover		159,345	179,756
Cost of sales		(97,769)	(179,136)
Gross profit		61,576	620
Administrative expenses		(36,537)	(30,839)
Operating profit/(loss)	3	25,039	(30,219)
Other interest receivable and similar income		391	564
Profit/(loss) on ordinary activities before taxation		25,430	(29,655)
Tax on profit/(loss) on ordinary activities	4	-	-
Profit/(loss) on ordinary activities after taxation	8	25,430	(29,655)

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.

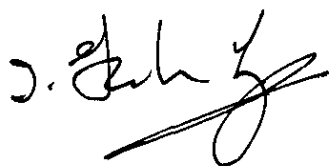
THE ROYAL SCOTTISH AUTOMOBILE CLUB (MOTOR SPORT) LIMITED
(COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET
AS AT 31 DECEMBER 2001

	Notes	2001 £	£	2000 £	£
Fixed assets					
Tangible assets	5		136		274
Current assets					
Debtors	6	5,314		7,444	
Cash at bank and in hand		5,639		503	
		<u>10,953</u>		<u>7,947</u>	
Creditors: amounts falling due within one year	7	<u>(32,215)</u>		<u>(54,777)</u>	
Net current liabilities			<u>(21,262)</u>		<u>(46,830)</u>
Total assets less current liabilities			<u>(21,126)</u>		<u>(46,556)</u>
Reserves					
Profit and loss account	8		<u>(21,126)</u>		<u>(46,556)</u>
			<u>(21,126)</u>		<u>(46,556)</u>

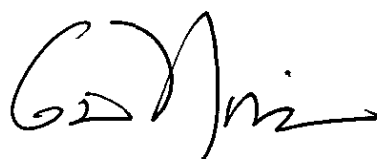
These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 14 July 2002

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 2001

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 £21,126 (2000 - £46,556) but the income and expenditure for the year showed a surplus of £25,430 (2000 - (£29,655)). The directors have prepared projected cash flow information to the end of 2002 and projected income and expenditure information to the end of 2003. This information indicates a positive cash-flow situation and a continuing operating surplus and therefore the directors consider it appropriate to prepare the financial statements on the going concern basis.

3 Operating profit/(loss)	2001	2000
	£	£
Operating profit/(loss) is stated after charging:		
Depreciation of tangible assets	138	431
Operating lease rentals	5,840	5,840
Auditors' remuneration	1,049	1,003
	<u> </u>	<u> </u>

4 Taxation

The company has estimated losses of £ 24,623 (2000: £ 50,792) available for carry forward against future trading profits.

No corporation tax is payable for the year as a result of trading losses brought forward.

THE ROYAL SCOTTISH AUTOMOBILE CLUB (MOTOR SPORT) LIMITED
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2001

5 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 January 2001 & at 31 December 2001	1,725
Depreciation	
At 1 January 2001	1,451
Charge for the year	138
At 31 December 2001	1,589
Net book value	
At 31 December 2001	136
At 31 December 2000	274

6 Debtors	2001 £	2000 £
Other debtors	4,824	6,865
Prepayments	490	579
	<u>5,314</u>	<u>7,444</u>

7 Creditors: amounts falling due within one year	2001 £	2000 £
Trade creditors	3,843	3,687
Contribution received in advance	18,500	18,100
Development fund	3,504	8,695
Accruals	1,050	1,029
Other creditors	1,225	1,225
Short term loan - Royal Scottish Automobile Club	-	15,000
Current account - Royal Scottish Automobile Club	4,093	7,041
	<u>32,215</u>	<u>54,777</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 2001

8 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2001	(46,556)
Retained profit for the year	25,430
	<u> </u>
Balance at 31 December 2001	<u>(21,126)</u>

9 Reconciliation of movements in members' funds

	2001 £	2000 £
Profit/(loss) for the financial year	25,430	(29,655)
Opening members' funds	(46,556)	(16,901)
	<u> </u>	<u> </u>
Closing members' funds	<u>(21,126)</u>	<u>(46,556)</u>

10 Financial commitments

At 31 December 2001 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2001 £	2000 £	Other 2001 £	2000 £
Expiry date:				
Within one year	2,000	2,000	4,320	3,840
Between two and five years	-	-	7,560	640
	<u>2,000</u>	<u>2,000</u>	<u>11,880</u>	<u>4,480</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 -£4,093 (2000 - £7,041)

Short term loan outstanding - £NIL (2000 - £15,000).