

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 2002**

AMENDING



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COMPANIES HOUSE 30/10/03

**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

Secretary

J C Lord

Company Number

78564 Registered in Scotland

Registered Office

11 Blythswood Square
Glasgow
G2 4AG

Accountants

Bain & Company
11 The Grange
Perceton
Ayrshire
KA11 2EU

Business address

St James Business Centre
Linwood Road
Paisley
PA3 3AT

Bankers

The Bank of Scotland
235 Sauchiehall Street
Glasgow
G2 3EY

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

Directors' Report

For the year ended 31 December 2002

The directors present their report and financial statements for the year ended 31 December 2002.

Principal activities

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

Directors

The following directors have held office since 1 January 2002.

I B M Lyle
J S Cowan
R G Davenport
M N C Gascoigne
J S McRae
C N Hilton

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 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.

Small Company exemptions

This report has been prepared in accordance with the special provisions of Part V11 of the Companies Act 1985 relating to small companies.

By order of the board

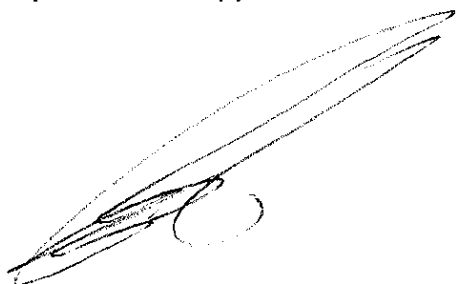


J C Lord
Secretary
10 September 2003

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

**ACCOUNTANTS REPORT
TO THE DIRECTORS ON THE UNAUDITED ACCOUNTS OF THE ROYAL
SCOTTISH AUTOMOBILE CLUB (MOTOR SPORT) LIMITED.**

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31 December 2002, set out on pages 3 to 7 and you consider that the company is exempt from an audit. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities from the accounting records and information and explanations supplied to us.



Bain & Company
Accountants
11 The Grange
Perceton
Ayrshire
KA11 2EU

10 September 2003

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

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2002

	Notes	2002 £	2001 £
Turnover		181,134	159,345
Cost of sales		130,650	97,769
Gross Profit		<u>50,484</u>	<u>61,576</u>
Administrative expenses		(50,495)	(36,537)
Operating profit/(loss)	3	<u>11</u>	<u>25,039</u>
Other income		699	391
Profit/(loss) on ordinary activities before taxation		<u>688</u>	<u>25,430</u>
Tax on profit/(loss) on ordinary activities	4	-	-
Profit/(loss) on ordinary activities after taxation	8	<u>688</u>	<u>25,430</u>

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 2002

	Notes	£	2002 £	£	2001 £
Fixed assets					
Tangible assets	5		1		136
Current assets					
Debtors	6	5,606		5,314	
Cash at bank and in hand		20,316		5,639	
R S A C current account		<u>833</u>		<u>-</u>	
		26,755		10,953	
Creditors: amounts falling due within one year	7	<u>(47,194)</u>		<u>(32,215)</u>	
Net current liabilities			(20,439)		(21,262)
Total assets less current liabilities			(20,438)		(21,126)
Reserves					
Profit and loss account	8		(20,438)		(21,126)

In preparing these financial statements:

The directors are of the opinion that the company is entitled to exemption from audit conferred by Section 249A(1) of the Companies Act 1985.

Members have not requested the company to obtain an audit of its accounts for the year in question in accordance with Section 249B(2) of the Companies Act 1985, and

The directors acknowledge their responsibilities for:

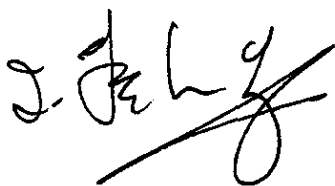
Ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and

Preparing accounts 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 its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements for this Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part V11 of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 10 September 2003

I B M Lyle
Director



C N Hilton
Director



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002**

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the financial reporting standard for smaller entities (effective March 2000).

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 £(20,438) (2001 - £(21,126)) but the income and expenditure for the year showed a surplus of £688 (2001 -£(25,430)). The directors have prepared projected cash flow information to the end of 2003 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)

	2002 £	2001 £
Operating profit/(loss) is stated after charging		
Depreciation of tangible assets	135	138
Operating lease rentals	4,320	5,840
Accountancy fees	500	-
Auditors remuneration	-	1,049
	<u> </u>	<u> </u>

4 Taxation

The company has estimated losses of £24,307 (2001- £24,623) available for carry forward against future trading profits.

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2002

5 Tangible fixed assets

	Plant and Machinery £
Cost	
At 1 January 2002 and at 31 December 2002	1,725
Depreciation	
At 1 January 2002	1,589
Charge for the year	135
At 31 December 2002	<u>1,724</u>
Net book value	
At 31 December 2002	<u><u>1</u></u>
At 31 December 2001	<u><u>136</u></u>

6 Debtors	2002	2001
	£	£
Other debtors	5,606	4,824
Prepayments	-	490
	<u>5,606</u>	<u>5,314</u>

7 Creditors: amounts falling due within one year	2002	2001
	£	£
Trade creditors	23,233	3,843
Contribution received in advance	18,500	18,500
Development fund	3,504	3,504
Accruals	500	1,050
Other creditors	1,457	1,225
Current account – Royal Scottish Automobile Club	-	4,093
	<u>47,194</u>	<u>32,215</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 2002**

8 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2002	(21,126)
Retained profit for the year	688
Balance at 31 December 2002	<u>(20,438)</u>

9 Reconciliation of movements in members' funds

	2002 £	2001 £
Profit/(loss) for the financial year	688	25,430
Opening members' funds	(21,126)	(46,556)
Closing members' funds	<u>(20,438)</u>	<u>(21,126)</u>

10 Financial commitments

At 31 December 2002 the company had annual commitments under non-cancellable leases as follows:

	Land and buildings 2002 £	2001 £	Other 2002 £	2001 £
Expiry date:				
Within one year	-	2,000	4,320	4,320
Between two and five years	-	-	3,240	7,560
	<u>-</u>	<u>2,000</u>	<u>7,560</u>	<u>11,880</u>

11 Related party transactions

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

At the 31 December 2002 the company had the following debts owed by the Royal Scottish Automobile Club:

Current account balance outstanding - £ 833 (2001 - £(4,903))