

Report of the Director and
Financial Statements for the Year Ended 31 July 2010
for
Old Owens Association

George Arthur Limited
Chartered Accountants
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Old Owens Association

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for the Year Ended 31 July 2010

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Old Owens Association

Report of the Committee
for the Year Ended 31 July 2010

The Committee presents report with the financial statements of the Club for the year ended 31 July 2010.

PRINCIPAL ACTIVITY

The principal activity of the Club in the year under review was that of managing and running the clubhouse and grounds of Old Owens Association

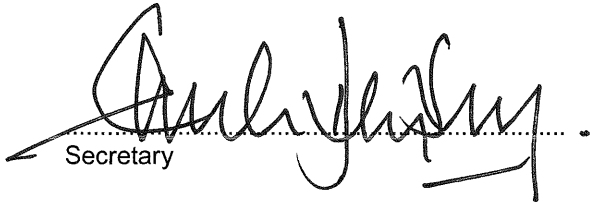
STATEMENT OF COMMITTEE'S RESPONSIBILITIES

The Committee is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Club and of the profit or loss of the Club for that period. In preparing those financial statements, the Committee is 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 Club will continue in business.

The Committee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Club. It is also responsible for safeguarding the assets of the Club and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ON BEHALF OF THE COMMITTEE:


Secretary

Date: 4th April 2011

Old Owens Association

Balance Sheet
31 July 2010

| | Notes | 2010 | | 2009 | |
|--|-------|---------------|-----------------|---------------|-----------------|
| | | £ | £ | £ | £ |
| FIXED ASSETS | | | | | |
| Tangible assets | 4 | | 640,816 | | 632,811 |
| Investments | 5 | | <u>30</u> | | <u>30</u> |
| | | | 640,846 | | 632,841 |
| CURRENT ASSETS | | | | | |
| Debtors | 6 | 18,360 | | 12,511 | |
| Cash at bank | | <u>819</u> | | <u>7,840</u> | |
| | | 19,179 | | 20,351 | |
| CREDITORS | | | | | |
| Amounts falling due within one year | 7 | <u>52,343</u> | | <u>23,618</u> | |
| NET CURRENT LIABILITIES | | | <u>(33,164)</u> | | <u>(3,267)</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 607,682 | | 629,574 |
| CREDITORS | | | | | |
| Amounts falling due after more than one year | 8 | | <u>688,531</u> | | <u>684,037</u> |
| NET LIABILITIES | | | <u>(80,849)</u> | | <u>(54,463)</u> |
| RESERVES | | | | | |
| Profit and loss account | 10 | | <u>(80,849)</u> | | <u>(54,463)</u> |
| | | | <u>(80,849)</u> | | <u>(54,463)</u> |

The Committee acknowledges its responsibilities for:

preparing financial statements which give a true and fair view of the state of affairs of the club as at the end of each financial year and of its profit or loss for each financial year in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

ON BEHALF OF THE COMMITTEE:


.....
Chairman

Approved by the Committee on 4th April 2011

Old Owens Association

Notes to the Financial Statements
for the Year Ended 31 July 2010

1. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared on a going concern basis as Old Owens Sports Club Limited has promised to provide support as and when necessary.

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 April 2008).

Turnover

Turnover represents monies received (excluding value added tax) from bar sales and other activities.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings - 10% on cost

The freehold properties are included in the accounts at cost. The buildings are maintained at a high standard for continuous occupation and no depreciation is charged as it would be immaterial in view of the length of the estimated residual life and value of the properties.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

2. **OPERATING LOSS**

The operating loss is stated after charging/(crediting):

| | 2010 | 2009 |
|--|----------|--------------|
| | £ | £ |
| Depreciation - owned assets | 7,106 | 6,790 |
| Profit on disposal of fixed assets | <u>-</u> | <u>(400)</u> |
| Director's remuneration and other benefits etc | <u>-</u> | <u>-</u> |

3. **TAXATION**

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 July 2010 nor for the year ended 31 July 2009.

The Association is taxed as a members club. Such clubs are not liable to corporation tax on profits arising directly from members' activities, provided these do not amount to a trade. Profits from activities which do not arise directly from members may be considered trading and would be subject to the normal corporation tax rules. Included in this would be bank deposit interest received.

Old Owens Association

Notes to the Financial Statements - continued
for the Year Ended 31 July 2010

4. **TANGIBLE FIXED ASSETS**

| | Freehold property £ | Fixtures and fittings £ | Totals £ |
|-----------------------|---------------------------|----------------------------------|----------------|
| COST | | | |
| At 1 August 2009 | 616,332 | 52,616 | 668,948 |
| Additions | <u>-</u> | <u>15,110</u> | <u>15,110</u> |
| At 31 July 2010 | <u>616,332</u> | <u>67,726</u> | <u>684,058</u> |
| DEPRECIATION | | | |
| At 1 August 2009 | - | 36,136 | 36,136 |
| Charge for year | <u>-</u> | <u>7,106</u> | <u>7,106</u> |
| At 31 July 2010 | <u>-</u> | <u>43,242</u> | <u>43,242</u> |
| NET BOOK VALUE | | | |
| At 31 July 2010 | <u>616,332</u> | <u>24,484</u> | <u>640,816</u> |
| At 31 July 2009 | <u>616,332</u> | <u>16,480</u> | <u>632,812</u> |

5. **FIXED ASSET INVESTMENTS**

| | Interest in other participating interests £ |
|--------------------------------------|---|
| COST | |
| At 1 August 2009 and 31 July 2010 | <u>30</u> |
| NET BOOK VALUE | |
| At 31 July 2010 | <u>30</u> |
| At 31 July 2009 | <u>30</u> |

Shares at cost in Old Owen's Sports Clubs Limited.

6. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

| | 2010 £ | 2009 £ |
|----------------|---------------|---------------|
| Trade debtors | 4,245 | 250 |
| VAT | 3,524 | 143 |
| Accrued income | - | 6,937 |
| Prepayments | <u>10,591</u> | <u>5,181</u> |
| | <u>18,360</u> | <u>12,511</u> |

Old Owens Association

Notes to the Financial Statements - continued
for the Year Ended 31 July 2010

| 7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR | 2010 | 2009 |
|---|---------------|---------------|
| | £ | £ |
| Trade creditors | 23,513 | 11,782 |
| Other creditors | 22,253 | 7,356 |
| Accrued expenses | <u>6,577</u> | <u>4,480</u> |
| | <u>52,343</u> | <u>23,618</u> |

Other creditors include a loan outstanding to Greene King Plc of £4,601 (2009: £1,327).

| 8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR | 2010 | 2009 |
|--|----------------|----------------|
| | £ | £ |
| Other loans - 1-2 years | 6,221 | 1,980 |
| Other loans - 2-5 years | 15,357 | 5,939 |
| Other loans more 5yrs non-inst | 10,114 | 17,279 |
| Old Owen's Sports Clubs Ltd | <u>656,839</u> | <u>658,839</u> |
| | <u>688,531</u> | <u>684,037</u> |

Amounts falling due in more than five years:

| | | |
|---|----------------|----------------|
| Repayable otherwise than by instalments | | |
| Other loans more 5yrs non-inst | 10,114 | 17,279 |
| Old Owen's Sports Clubs Ltd | <u>656,839</u> | <u>658,839</u> |
| | <u>666,953</u> | <u>676,118</u> |

The loan from Old Owen's Sports Clubs Limited is secured by a legal charge over the freehold title of the sports ground at Coopers Lane in the company's favour, to a limit of £500,000. It is repayable on demand, but the company has indicated that it does not intend to demand repayment within the next twelve months.

The loan from Greene King Brewing Company is a free trade loan to carry out improvements to the property. There is a Minimum Purchase Obligation to purchases at least 200 barrels per annum from Greene King. The loan will be interest free. In the event that the loan exceeds 120 months any outstanding balance will be required to be repaid on demand.

The loan from D. Webb is an interest free loan to purchase new mowers and is repayable by instalments. The final instalment is payable on 31 August 2014.

9. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

| | 2010 | 2009 |
|----------------------------|------------|------------|
| | £ | £ |
| Expiring: | | |
| Between one and five years | <u>583</u> | <u>583</u> |

Old Owens Association

Notes to the Financial Statements - continued
for the Year Ended 31 July 2010

10. **RESERVES**

| | Profit and loss account £ |
|----------------------|------------------------------------|
| At 1 August 2009 | (54,463) |
| Deficit for the year | <u>(26,386)</u> |
| At 31 July 2010 | <u>(80,849)</u> |

11. **RELATED PARTY DISCLOSURES**

The Association owns shares in Old Owens Sports Club Limited, a related party.

Statement by the Committee
on the Unaudited Financial Statements of
Old Owens Association

I confirm that as a Committee I have met my duty to:

- ensure that the Club has kept proper accounting records;
- prepare financial statements which give a true and fair view of the state of the Club as at 31 July 2010 and of its profit for that period in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007); and
- follow the applicable accounting policies, subject to any material departures disclosed and explained in the notes to the financial statements.

.....
Committee

Date: 4th April 2011

Old Owens Association

Profit and Loss Account
for the Year Ended 31 July 2010

| | 2010 | | 2009 | |
|--|--------------|-----------------|--------------|-----------------|
| | £ | £ | £ | £ |
| Turnover | | | | |
| Subscriptions and donations | 4,120 | | 8,813 | |
| Ground hire - affiliated clubs | 22,700 | | 19,044 | |
| Ground and room hire - other | 8,782 | | 6,183 | |
| Bar & catering rental income | 25,027 | | 17,175 | |
| Barrelage | <u>1,816</u> | | <u>1,116</u> | |
| | | 62,445 | | 52,331 |
| Cost of sales | | | | |
| Barrelage shortfall penalty | 3,522 | | - | |
| Equipment rental | 7,805 | | 788 | |
| Cleaning and laundry | 2,390 | | 2,150 | |
| Equipment repairs & maintenance | <u>633</u> | | <u>1,229</u> | |
| | | <u>14,350</u> | | <u>4,167</u> |
| GROSS PROFIT | | 48,095 | | 48,164 |
| Expenditure | | | | |
| Ground contractors | 11,305 | | 11,340 | |
| Ground materials | 21,427 | | 23,912 | |
| Rates | 8,809 | | 8,525 | |
| Insurance | 4,376 | | 5,340 | |
| Light and heat | 3,072 | | 1,196 | |
| Repairs to property | 13,411 | | 5,430 | |
| Depreciation of tangible fixed assets | 7,106 | | 6,790 | |
| Profit/loss on sale of intangible fixed assets | - | | (400) | |
| Post and stationery | - | | 24 | |
| Sundry expenses | - | | 661 | |
| Accountancy | 2,500 | | 500 | |
| Legal fees | 188 | | - | |
| Advertising | <u>2,015</u> | | <u>735</u> | |
| | | <u>74,209</u> | | <u>64,053</u> |
| | | (26,114) | | (15,889) |
| Finance costs | | | | |
| Bank charges | 272 | | 182 | |
| Interest on VAT assessment | <u>-</u> | | <u>455</u> | |
| | | <u>272</u> | | <u>637</u> |
| NET LOSS | | <u>(26,386)</u> | | <u>(16,526)</u> |

Chartered Certified Accountants' Independent Assurance Report
to the Committee
on the Unaudited Financial Statements of
Old Owens Association

We have performed certain procedures in respect of the Club's unaudited financial statements for the year ended 31 July 2010 on pages two to eight, made enquiries of the Club's Committee and assessed accounting policies adopted by the Committee, in order to gather sufficient evidence for our conclusion in this report.

This report is made solely to the Club's Committee in accordance with our terms of engagement. It has been released to the Committee on the basis that this report shall not be copied, referred to or disclosed, in whole (save for the Committee's own internal purposes or as may be required by law or by a competent regulator) or in part, without our prior written consent. Our work has been undertaken so that we might state to the Committee those matters that we have agreed to state in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Club and the Club's Committee for our work, for this report or the conclusions we have formed.

Respective responsibilities

You have confirmed that you have met your duty as set out in the Committee's statement on page eight. You consider that the Club does not require an audit for the year. Our responsibility is to form and express an independent conclusion, based on the work carried out, to you on the financial statements.

Scope

We conducted our engagement in accordance with the Institute of Chartered Accountants in England & Wales Interim Technical Release AAF 03/06. Our work was based primarily upon enquiry, analytical procedures and assessing accounting policies in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007). If we considered it to be necessary, we also performed limited examination of evidence relevant to certain balances and disclosures in the financial statements where we became aware of matters that might indicate a risk of material misstatement in the financial statements.

The terms of our engagement exclude any requirement to carry out a comprehensive assessment of the risks of material misstatement, a consideration of fraud, laws, regulations or internal controls, and we have not done so. We are not required to, and we do not, express an audit opinion on these financial statements.

Conclusion

Based on our work, nothing has come to our attention to refute the Committee's confirmation that the financial statements give a true and fair view of the state of the Club's affairs as at 31 July 2010 and of its profit for the year then ended and have been properly prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

George Arthur Ltd

George Arthur Limited
Chartered Accountants
York House
4 Wigmores South
Welwyn Garden City
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AL8 6PL

Date: 4th April 2011